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PART IV.

FURTHER CORRESPONDENCE

RESPECTING THE

AFFAIRS OF ABYSSINIA.

11

1908.

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TABLE OF CONTENTS.

No.	Name.	No.	Date.	SUBJECT.	Page
1	Memorandum communicated by Mr. Gilmour	..	Jan. 1, 1908	Ethiopian Railway. Memorandum respecting	1
2	Mr. Hohler	67 Tel. Confidential	Dec. 31, 1907	Railway. Refers to No. 47, Part III. Has heard on best authority that Menelek has not entered into any engagement with French Minister. Menelek thinks that, before abolishing present Company and granting Concession to new one, present Company should return to him their Concession. This procedure seems dangerous. Menelek reported to be thinking of building line himself (see No. 8)	6
3	" "	1 Tel. Confidential	Jan. 6, 1908	M. Klobukowski. Rumour that Menelek is anxious for him to go. Nothing been done about Commercial Treaty or railway	6
4	Colonial Office	..	2,	Southern frontier. Refers to Part III. Concurs in suggestion that instructions already sent to Mr. Hohler respecting should be allowed to stand	6
5	To Treasury	..	3,	Defence of Legations. Refers to No. 146, Part III. Gives summary of present situation. Presses for sanction to expend 15,000l. (see No. 64)	7
6	M. Geoffray	..	8,	Railway. Informs of progress of negotiations between French Minister and Emperor Menelek, and gives terms of Agreement	8
7	Colonial Office	..	8,	Raid on Lugh. Transmits telegram from Governor of East African Protectorate reporting that Lugh had been attacked by Abyssinians (see No. 9)	9
8	Mr. Hohler	2 Tel.	7,	Railway. Refers to No. 2. Informs of conversation with French Minister respecting <i>déchéance</i> of old Company. M. Klobukowski states he is in possession of new Concession. Difficult to reconcile this with statements made by Menelek (see No. 10)	9
9	The Marquis di San Giuliano	..	8,	Raid on Lugh. Refers to No. 7. Requests that His Majesty's Representative at Adis Abeba may be instructed to support his Italian colleague in the representations which latter is going make to Menelek on the subject of (see No. 11)	10
10	Mr. Hohler	3 Tel.	8,	Railway. Refers to No. 8. Menelek disavows intention of withdrawing old Company's Concession, and absolutely denies having granted any new Concession whatever (see Nos. 15 and 36)	10
11	To Mr. Hohler	1 Tel.	10,	Raid on Lugh. Informs of No. 9. To support Italian colleague in representations to Menelek (see No. 20)	10
12	Mr. Hohler	82	Dec. 10, 1907	Franco-Abyssinian Treaty of Commerce. Refers to Part III. Gives substance of draft of, which was read to him by French Minister. Reports conversation respecting railway. M. Klobukowski hopes to leave Adis Abeba at end of month (see Nos. 13, 17, and 22)	11

[1557]

TABLE OF CONTENTS.

iii

No.	Name.	No.	Date.	SUBJECT.	Page
13	Mr. Hohler	88 Confidential	Dec. 10, 1907	Attitude of M. Klobukowski. Refers to No. 12. Reports conversations with M. Klobukowski respecting the complaints made against his attitude, defence of Legations, and railway. States what he considers real facts of his attitude in latter question	11
14	" "	84	12,	Commerce on southern frontier. Refers to No. 62, Part III. Transmits Report on, drawn up by M. Zaphiro, with observations (see No. 47)	12
15	To Mr. Hohler	2 Tel.	Jan. 12, 1908	Railway. Refers to No. 10. Informs of substance of No. 6 (see No 36)	18
16	Sir N. O'Connor	7	7,	Access of Abyssinians to Church of Angels at Jerusalem. Refers to No. 278, Part III. Abyssinians have been informed by Porte that points raised by them cannot be entertained, and that no alteration in <i>status quo</i> can be expected (see No. 95)	19
17	To the Marquis di San Giuliano	..	13,	Franco - Ethiopian Treaty of Commerce. Refers to No. 12. Answers No. 275, Part III. Informs of proposed action respecting customs duties. Report respecting Consular jurisdiction called for from Sir J. Harrington. What points should be discussed at meeting which Italian Government wish to take place between Sir E. Grey, M. Cambon, and his Excellency?	19
18	To Sir F. Bertie	5 Africa	13,	Abyssinian Railway. Refers to No. 15. Transmits Memorandum for communication to French Government, asking for favourable consideration for Trust Company (see Nos. 27 and 87)	20
19	To Sir J. Harrington	4	13,	Franco-Abyssinian Treaty of Commerce. Transmits Nos. 273, Part III, and No. 17. Asks for observations on. Is it possible that some scheme of jurisdiction could be devised which would avoid the disadvantages of the scheme apparently agreed to by the French and yet be acceptable to the Emperor Menelek? (see No. 119)	20
20	Mr. Hohler	4 Tel.	12,	Raid on Lugh. Refers to No. 11. Menelek has expressed regret to Italian Chargé d'Affaires at incident, and has promised to punish offenders and make all possible reparation (see Nos. 20 and 28)	20
21	" "	86	Dec. 18, 1907	Attitude of M. Klobukowski. Observations on No. 223, Part III (see No. 43)	21
22	" "	88	19,	Franco-Abyssinian Treaty of Commerce and Consular jurisdiction. Reports more fully information contained in No. 12	21
23	" "	89	19,	Southern frontier. Refers to No. 226, Part III. Transmits translation of Treaty, which is not drawn up in usual form. Reports action taken in reply to Menelek's request for change of line (see No. 30)	22
24	" "	90	21,	Greeks in Abyssinia. Complaints of Greeks that His Majesty's Consular Agent at Diré Dawa refused to apply for passes for them to proceed to Adis Abeba. Informs of action taken (see Nos. 37 and 38)	23
25	Sir E. Egerton	2 Africa	13,	Raid on Lugh. Refers to No. 20. Transmits telegraphic correspondence received at Ministry of Foreign Affairs respecting (see No. 31)	24

TABLE OF CONTENTS.

No.	Name.	No.	Date.	SUBJECT.	Page.
26	To the Marquis di San Giuliano	..	Jan. 16, 1908	Raid on Lugh. Informs of substance of letter from Colonial Office of 17th January (see No. 42)	25
27	Sir F. Bertie	4 Africa	15,	Railway. Refers to No. 18. Report of interview with M. Louis respecting claims of Trust Company. M. Louis promised to communicate to M. Pichon Memorandum contained in No. 18 (see Nos. 35, 56, and 85)	27
28	Colonial Office	..	17,	Raid on Lugh. Refers to No. 11. Transmits further telegram from Governor of East Africa Protectorate respecting ..	27
29	Mr. Hohler	93	Dec. 26, 1907	Abyssinian expedition into the Ogaden. Refers to Part III. Forwards information received from His Majesty's Vice-Consul at Harrar respecting ..	27
30	" "	94	27,	Southern frontier. Refers to No. 23. Abyssinian Government desirous that copy of Agreement should not be sent to England at once, as they are anxious to correct its form. He has informed them that, although perfectly satisfied with binding nature of Agreement in its present form, he will refrain from forwarding it for one week (see No. 48) ..	28
31	Sir E. Egerton	3 Africa	Jan. 14, 1908	Raid on Lugh. Refers to No. 25. Italian Representative at Adis Abeba has informed his Government that Abyssinians have been ordered to retire from Benadir hinterland. Menelek has also ordered search to be made for Captains Bongiovanni and Molinari. Prisoners to be released and raided cattle restituted (see No. 39) ..	28
32	Mr. Cartwright	5	18,	Herr Holz's projected expedition to Abyssinia. Reports that it has for its object the obtaining of Concessions. Informs of apparently inspired article in "Neueste Nachrichten," from which it would appear that expedition is purely sporting. No connection with Imperial Government (see No. 58)	28
33	Colonial Office	..	20,	Abyssinian expedition against the Bagheri. Transmits Intelligence Report received from Acting Commissioner of Somaliland respecting	29
34	The Marquis di San Giuliano	..	Dec. 26, 1907	Italian protection of Ethiopian interests in Palestine. Reminds of. Proposes to explain later their action on behalf of Ethiopian interests, and particularly in respect of the claim of the Deir-es-Sultan Monastery (see No. 41)	30
35	" "	..	Jan. 20, 1908	Railway. Refers to No. 27. Italian Government have been informed by French Ambassador at Rome of approaching conclusion of Agreement between France and Negus. As under Tripartite Agreement consent of Great Britain and Italy is necessary for the validity of this new Agreement, inquires views of His Majesty's Government in the matter (see No. 52) ..	31
36	Mr. Hohler	5 Tel.	19,	Railway. Statements in Nos. 10 and 15 still show actual situation (see No. 45) ..	31
37	To Mr. Hohler	6	22,	Greeks in Abyssinia. Approves No. 24. Informs of No. 38	31

TABLE OF CONTENTS.

No.	Name.	No.	Date.	SUBJECT.	Page.
38	To Sir F. Elliot	1 Africa	Jan. 22, 1908	Greeks in Abyssinia. Transmits No. 24. Has approved terms of instructions sent by Mr. Hohler to His Majesty's Consular officers at Diré Dawa and Harrar. To invite Greek Government, if he thinks fit, to take action in sense of last section of No. 24 (see Nos. 37 and 65)	31
39	Sir E. Egerton	4 Africa	20,	Raid on Lugh. Refers to No. 31. Informs of telegram received by Italian Government from Chargé d'Affaires at Adis Abeba. Negus has ordered immediate retreat of Abyssinians from hinterland of Benadir (see No. 41)	32
40	" "	5 Africa	21,	Raid on Lugh. Refers to No. 39. Situation much improved. Lugh unthreatened ..	32
41	The Marquis di San Giuliano	..	22,	Proposed identic instructions to British, French, and Italian Representatives at Adis Abeba. Refers to No. 34. Transmits draft of identical instructions which Italian Government would like sent to Representatives of three Powers at Adis Abeba (see Nos. 53 and 144)	32
42	" "	..	22,	Raid on Lugh. Thanks for No. 26. Lieutenant Cibelli arrived safely at Lugh with part of Bardera garrison. For reasons of security he had to cross into British territory on his march to Lugh (see Nos. 44, 54, and 122)	35
43	To Sir F. Bertie	8 Africa	24,	Attitude of M. Klobukowski. Refers to No. 223, Part III. Transmits No. 21. No need to raise question again with Minister for Foreign Affairs; but, if M. Pichon should allude to it, Mr. Hohler's explanations will enable him to dispel his suspicions	35
44	Mr. Hohler	7 Tel.	25,	Raid on Lugh. Refers to No. 42. Menelek states that Italians, without any preliminary parley, commenced the attack ..	36
45	" "	8 Tel.	25,	Railway. Refers to No. 36. French Minister states that he has just heard that an agreement has been come to by the liquidator with a new French Company (see Nos. 46 and 51)	36
46	" "	9 Tel.	25,	Concessions in Abyssinia. Refers to No. 45. Transmits the report that liquidator's action has been declared illegal, and hopes it may be true. Thinks that French Minister has wrecked old Company in order to secure a new Concession from Menelek (see No. 51)	36
47	To Colonial Office	..	28,	Commerce of southern frontier district. Transmits No. 14. Have Colonial Office any trade returns from Kismayu? Suggests that authorities of British East Africa should be instructed to foster trade between Kismayu and Borana country ..	36
48	Mr. Hohler	1	1,	Southern Frontier Treaty. Refers to No. 30. Transmits English and Amharic texts with maps. Reports conversation with Menelek respecting	37
49	" "	3	3,	Abdullahi Sadik's mission. Reports conversation with Emperor Menelek respecting (see No. 143)	37

TABLE OF CONTENTS.

No.	Name.	No.	Date.	SUBJECT.	Page
50	Treasury ..	..	Jan. 28, 1908	Defence of Legations. Refers to Part III. Agrees in principle to construction of a suitable house for British Legation. Requests that Office of Works be consulted as to details of scheme and probable cost (see No. 64) ..	38
51	To Mr. Hohler ..	3 Tel.	30,	Railway. Refers to Nos. 45 and 46. Informs of scheme accepted by official liquidator under threat of forced <i>déchéance</i> of Company. Lawyers of Trust Company say liquidator's action is illegal. Representations previously made to French Government respecting position of British creditors of Railway Company ..	38
52	To the Marquis di San Giuliano	..	30,	Railway. Refers to No. 35. There does not appear to be any reason to object to the terms of the Concession which M. Klobukowski is endeavouring to obtain. His Majesty's Government propose to await Sir J. Harrington's observations before returning definite reply to French Government (see No. 60) ..	38
53	" "	..	31,	Proposed identic instructions to British, Italian, and French Representatives at Adis Abeba. Refers to No. 41. Wishes before entering on discussions to consult Sir J. Harrington (see No. 61) ..	39
54	" "	..	31,	Raid on Lugh. Thanks for No. 42 (see No. 70) ..	39
55	International Ethiopian Railway Trust and Construction Company	..	31,	Railway. Refers to No. 51. Thanks for representations already made to French Government. Asks that further representations may be made respecting the proposal for the purchase of the whole of the interests of the Trust Company in the Ethiopian Railway Company (see No. 66) ..	39
56	Memorandum communicated by M. Cambon	..	Feb. 1,	Railway. Refers to No. 27. Answer of French Government to representations on subject of Trust Company (see No. 82) ..	40
57	Sir J. Harrington ..	11 Tel.	Jan. 31,	Reports that Menelek had received him satisfactorily ..	40
58	Sir F. Lascelles ..	37	26,	Herr Holz's projected expedition to Abyssinia. Refers to No. 32. Informs of article in "Kölnische Zeitung." German Government have nothing to do with Herr Holz (see No. 107) ..	41
59	To the Marquis di San Giuliano	..	Feb. 4,	Italian protection of Ethiopian interests in Palestine. Acknowledges No. 275, Part III. Will await further communication therein referred to before making detailed reply on subject (see No. 68) ..	41
60	The Marquis di San Giuliano	..	1,	Railway. Refers to No. 52. Agreement acceptable in general lines, but if clause respecting transit and toll dues is accepted, Italian Government will oppose it under Article 3 of Italo-Ethiopian Treaty. French Government have been informed of this (see No. 78) ..	41
61	To Sir J. Harrington	9	5,	Proposed identic instructions to British, Italian, and French Representatives at Adis Abeba. Transmits Nos. 41 and 53 for observations ..	42

TABLE OF CONTENTS.

No.	Name.	No.	Date.	SUBJECT.	Page
62	To Sir J. Harrington	10	Feb. 5, 1908	Defence of Legations. Transmits Nos. 130 and 146, Part III, and Nos. 5, 50, and 63, Part IV. To furnish estimate for house, &c., as soon as possible (see No. 130) ..	42
63	To War Office ..	..	5,	Defence of Legations. Transmits Nos. 130 and 146, Part III, and Nos. 5 and 50, Part IV. Asks for estimate of arms, ammunition, and materials for defence of Legation referred to in No. 128, Part III (see No. 88) ..	42
64	To Office of Works ..	..	5,	Defence of Legations. Transmits Nos. 5 and 50. Asks for details and estimate as asked for in last section of No. 50 ..	42
65	Sir F. Elliot ..	1 Africa	Jan. 31,	Greeks in Abyssinia. Has carried out instruction in No. 38. Royal Decree sanctioning Statutes of newly-formed Greek Community will be issued shortly (see No. 73) ..	43
66	To International Ethiopian Railway Trust and Construction Company	..	Feb. 7,	Railway. Refers to No. 55. Informs of reply of French Government to representation made by His Majesty's Government respecting claim of Trust Company (see No. 69) ..	43
67	To Sir E. Egerton ..	3 Africa	10,	Railway. Reports conversation with Italian Ambassador respecting 6 per cent. extra duty ..	43
68	Count de Bosdari ..	..	12,	Italian protection of Ethiopian interests in Palestine. No further communication contemplated at present by Italian Government, who would be glad to receive detailed reply referred to in No. 59 (see No. 80) ..	44
69	International Ethiopian Railway Trust and Construction Company	..	12,	Railway. Refers to No. 66. Criticises reply of French Government to representations of His Majesty's Government (see Nos. 76, 86, and 108) ..	44
70	Mr. Hohler ..	5	Jan. 25,	Raid on Lugh. Refers to No. 54. Has made strong representation to Menelek. Informs of his reply. Italian Chargé d'Affaires has so far been thoroughly satisfied with conduct of Abyssinian authorities (see No. 79) ..	61
71	Treasury ..	..	Feb. 14,	Interpreters for British Legation. Refers to No. 229, Part III. No objection to training of one or two interpreters at Adis Abeba, but they must not be sent away to complete their education elsewhere. Suggests desirability of ascertaining what other Legations do in order to provide themselves with qualified interpreters (see No. 81) ..	61
72	To Count de Bosdari	..	15,	Southern Frontier Treaty. Transmits copy of Treaty. Maps will be sent later. Requests that documents may be regarded as confidential ..	61
73	Sir F. Elliot ..	2 Africa	12,	Greeks in Abyssinia. Refers to No. 65. Transmits copy of Royal Decree sanctioning Statutes of Hellenic Community at Adis Abeba (see No. 210) ..	62

TABLE OF CONTENTS.

No.	Name.	No.	Date.	SUBJECT.	Page
74	Sir J. Harrington ..	12 Tel.	Feb. 14, 1908	Question of doyen. French anxious that their Minister should be doyen. In our interests Italian preferable. Urges that Italian Representative should be given rank of Minister before M. Brice arrives (see No. 77)	62
75	Sir E. Egerton ..	8 Africa	14,	Signor Tittoni's speech on Italian Somaliland. Transmits summary of, with observation on Italian colonial policy	62
76	International Ethiopian Railway Trust and Construction Company	..	17,	Railway. Refers to No. 69. Transmits copy of letter from judicial liquidator to Vice-President of Ethiopian Railway Company, showing that liquidator only accepted scheme of French Government on direct threat of declaration of <i>déchéance</i> of the Company	65
77	To Sir J. Harrington	2 Tel. Treaty	18,	Question of doyen. Refers to No. 74. As he was appointed Envoy and Minister on 31st January he will be doyen	66
78	To Count de Bosdari	..	18,	Railway. Acknowledges No. 60 (see No. 102)	67
79	Sir E. Egerton ..	9 Africa	16,	Raid on Lugh. Refers to No. 70. Informs of further information received by Italian authorities. Discussions in Italian Parliament respecting Italian colonial policy (see No. 83)	67
80	To Count de Bosdari	..	19,	Italian protection of Ethiopian interests in Palestine. Refers to No. 68. As Italian Government do not contemplate further communication, Sir E. Grey is of opinion that any observation on his part are for the moment unnecessary	68
81	To Sir J. Harrington	17	20,	Interpreters for British Legation. Refers to No. 193, Part III. Transmits No. 71. To furnish information as to procedure followed by other Legations (see No. 121)	68
82	Memorandum communicated to French Ambassador	..	21,	Railway. Refers to No. 56. Asks French Government to reconsider their decision with regard to position of Trust Company (see Nos. 85 and 109)	68
83	Colonial Office	..	20,	Raid on Lugh. Refers to No. 79. Transmits telegram from Governor of East Africa (see No. 93)	69
84	Sir J. Harrington ..	13 Tel.	23,	Railway. New Concession signed. Conversation with French Minister as to clause in Concession exempting railway-borne goods from internal taxes (see No. 87)	69
85	To Sir F. Bertie ..	15 Africa	26,	Railway. Refers to No. 27. Transmits copy of No. 82 for information	70
86	To Ethiopian Railway Trust Company	..	26,	Railway. Acknowledges No. 69. Further representations are being made to French Government	70
87	To Sir F. Bertie ..	16 Africa	27,	Railway. Refers to No. 18. Transmits No. 84. To enquire whether the "interior taxes" alluded to in No. 6 refer only to road tolls and transit dues, and not to any other dues or taxes levied by Abyssinian Government within their frontiers (see No. 114)	70

TABLE OF CONTENTS.

No.	Name.	No.	Date.	SUBJECT.	Page
88	War Office ..	..	Feb. 28, 1908	Defence of Legations. Refers to No. 63. Transmits estimate of cost of arms, ammunition, &c., necessary for defence of British Legation against mob attack (see No. 103)	70
89	Sir J. Harrington ..	14 Tel.	29,	Railway. If French Government will not give fair treatment to British interests in Company, it is possible that representations to Menelek would insure them better treatment	71
90	Colonial Office	..	Mar. 2,	Control of southern frontier. Refers to No. 221, Part III. Transmits correspondence with Governor of East Africa and the Treasury (see Nos. 98 and 99)	71
91	Sir J. Harrington ..	15 Tel.	Feb. 29,	Tripartite Agreement. M. Klobukowski's interpretation of Article 10 turns Agreement to our disadvantage. Proposes to discuss question with new French Minister (see No. 92)	75
92	To Sir J. Harrington ..	5 Tel.	Mar. 5,	Tripartite Agreement. Refers to No. 91. Requests views of new French Minister. If they coincide with those of M. Klobukowski, the Representatives at Adis Ababa ought to receive identic instructions, but it is undesirable to fetter their action (see No. 94)	75
93	Sir E. Egerton ..	10 Africa	6,	Raid on Lugh. Refers to No. 88. Transmits telegram from Stefani Agency to the effect that the Arusi Chiefs have been imprisoned by Menelek, who reserves the right of appointing new Chiefs. The "Tribuna" reports that Captain Vitali had been sent to occupy Caitoi (see No. 97)	75
94	Sir J. Harrington ..	16 Tel.	14,	Proposed identic instructions to British, Italian, and French Representatives at Adis Ababa. Refers to No. 92. New French Minister unable to express any opinion pending instructions from his Government. Trial might be given to Italian suggestions, but Sir J. Harrington would prefer that Concessions should not be interfered with by Ministers	76
95	Mr. G. Barclay ..	2 Africa	10,	Access of Abyssinians to Church of the Angels at Jerusalem. Refers to No. 16. Abyssinian Mission has addressed further Memorandum to Porte. Minister of Interior induced Sultan to reconsider matter, and Mutessarif of Jerusalem has received orders to satisfy Abyssinians (see No. 127)	76
96	To Sir J. Harrington ..	6 Tel.	17,	Negotiations with M. Klobukowski. Transmits correspondence with M. Klobukowski on questions of Bank of Indo-China, Ethiopian railways, &c. Reports conversations with M. Klobukowski	77
97	" " ..	25	19,	Raid on Lugh. Transmits No. 93. Has Dejaz Lul Seged been degraded? If so, who will succeed him?	77

TABLE OF CONTENTS.

No.	Name.	No.	Date.	SUBJECT.	Page
98	To Sir J. Harrington	26	Mar. 20, 1908	Control of southern frontier. Refers to No. 178, Part III. Transmits No. 90. Colonial Office propose to place Frontier Inspectors under control of Legation at Adis Ababa. Would Menelek agree to scheme? What would be probable cost of scheme? (see Nos. 124 and 162)	77
99	To Colonial Office ..	..	20,	Control of southern frontier. Refers to No. 90. Will consult Sir J. Harrington with regard to Colonial Office scheme. Considers that British Protectorate and not His Majesty's Government ought to defray expense of maintaining Frontier Inspectors (see No. 167)	78
100	Sir J. Harrington ..	6	Feb. 29,	Interpretation of Article 10 of Tripartite Agreement. Informs of views of M. Klobukowski, and transmits correspondence with ..	78
101	To Mr. Lister .. ,, Sir E. Egerton ..	24 Africa 8 Africa	Mar. 21,	Interpretation of Article 10 of Tripartite Agreement. Transmits Nos. 41, 91, 92, 94, and 96. Respecting interpretation of Article 10 and proposed identic instructions. To inform French Government that His Majesty's Government consider Article 10 applies generally and not only to Article 3 as contended by M. Klobukowski (see Nos. 104, 120, 125, and 142)	84
102	Count de Bosdari ..	..	19,	French Railway Agreement. Refers to No. 78. Italian Government take exception to clause under which Abyssinian Government would levy toll and transit dues as well as customs duties. French Government have not replied to Italian note. Asks views of His Majesty's Government (see No. 115)	85
103	Memorandum communicated by Count Benckendorff	..	24,	Defence of Legations. Refers to No. 88. Requests to be informed of details of Sir J. Harrington's plan for. Gives sums which would be needed for execution of Russian plan (see Nos. 129 and 130)	85
104	Sir F. Bertie ..	17	24,	Interpretation of Article 10 of Tripartite Agreement. Refers to No. 101. Transmits Memorandum communicated to French Government respecting views of His Majesty's Government on interpretation of Article 10 of Tripartite Agreement (see No. 131)	85
105	Sir J. Harrington ..	17 Tel.	27,	Protection of southern frontier. Situation becomes daily more difficult. Present number of men is insufficient. Asks sanction to increase it at annual cost of 500L (see Nos. 110 and 113)	86
106	" ..	18 Tel.	27,	Southern frontier. Menelek wishes Delmé-Radcliffe to be Commissioner; failing him, Major Gwynn. Important that delimitation should be begun soon (see Nos. 112 and 118)	86
107	Sir F. Lascelles ..	129	23,	Herr Holz's journey to Abyssinia. Refers to No. 58. "Schlesische Zeitung" announces that Herr Holz intends to obtain various Concessions from Menelek. This report denied by official press (see No. 157)	86
108	International Ethiopian Railway Trust and Construction Company	..	30,	Railway. Refers to No. 69. Ask that further representations may be made to French Government with a view to obtaining reasonable compensation (see No. 135)	87

TABLE OF CONTENTS.

xi

No.	Name.	No.	Date.	SUBJECT.	Page
109	Memorandum communicated by M. Cambon	..	Mar. 31, 1908	Railway. Answers No. 82. French Government do not change their views, which remain the same as set forth in No. 56 (see Nos. 135 and 174)	89
110	To Sir J. Harrington	7 Tel. Africa	April 1,	Southern frontier. Refers to No. 105. Requests him to telegraph his views immediately on receipt of despatch which should arrive about the 14th April. Consulting Colonial Office with reference to his proposal (see No. 124)	89
111	Sir F. Bertie ..	20 Africa	Mar. 30,	Railway. Transmits extract from "Comité de l'Afrique Française" announcing that Agreement has been signed between M. Klobukowski and Emperor Menelek concerning transfer of Concession to a new French Company..	90
112	To Colonial Office ..	..	April 2,	Southern frontier. Transmits No. 106. Sir J. Harrington states that Menelek would like to employ as Commissioner Lieutenant-Colonel Delmé-Radcliffe, or, failing him, Major Gwynn. Asks opinion of Colonial Office as to appointment of these officers..	91
113	" ..	..	2,	Southern frontier. Transmits No. 105. Approves Sir J. Harrington's suggestion that the Inspector's escort might be increased, and asks if Lord Elgin would approach the Treasury on the matter. Arrangements made when Mr. Zaphiro was appointed Inspector are included in letter to Colonial Office of 4th January (see No. 117)	91
114	Sir F. Bertie ..	22 Africa	1,	Railway. Refers to No. 87. Interior taxes from which goods carried by railway are to be exempted comprise whole of dues levied by Abyssinian Government on goods transported by road and caravan between Dirré-Daoua and Adis Ababa, exclusive of customs duties (see No. 146)	91
115	To Count de Bosdari..	..	8,	French Railway Agreement. Refers to No. 102. Unable at present to express opinion on question of transit dues and tolls ..	92
116	Count de Bosdari ..	..	8,	Proposed identic instructions to British, French, and Italian Representatives at Adis Ababa. Refers to No. 53. Attitude of New French Ministry at Adis Ababa. French Government have been asked to hasten reply to proposal. Asks His Majesty's Government to support request..	92
117	Colonial Office ..	..	9,	Southern frontier. Refers to No. 113. Suggests Major Gwynn as Commissioner on delimitation, and Dr. Brockman as medical officer. Will approach Treasury if Foreign Office concur (see No. 126)	93
118	To Sir J. Harrington..	8 Tel.	10,	Southern frontier. Refers to No. 106. Will Menelek have any objection to appointment of Major Gwynn and Captain Maud as Commissioners on delimitation? (see No. 123)	93
119	Sir J. Harrington ..	10	Mar. 21,	Franco-Ethiopian Treaty. Refers to No. 19. Observations on ..	93
120	Sir E. Egerton ..	15 Africa	April 7,	Interpretation of Article 10 of Tripartite Agreement. Has addressed note to Italian Government in terms of No. 101	94

No.	Name.	No.	Date.	SUBJECT.	Page
121	Sir J. Harrington ..	12	Mar. 28, 1908	Intpreters for British Legation. Refers to No. 81. Suggestions for training. Preliminary training at school at Adis Ababa and finishing in London (see No. 138)	94
122	" ..	13	28,	Proposed identic instructions to British, French, and Italian Representatives at Adis Ababa. Observations on No. 42. Draft Italian instructions	95
123	" ..	20 Tel.	Apr. 17,	Southern frontier. Emperor accepts Boundary Commissioners proposed in No. 118	95
124	" ..	21 Tel.	17,	Protection of southern frontier. Refers to Nos. 98 and 110. Legation can control Inspectors, but it is advisable that frontier should be delimited before Emperor is approached as to proposed arrangement. Present system can be carried on if Inspectors are given additional men asked for (see No. 128)	96
125	To Sir F. Bertie ..	26 Africa	18,	Proposed identic instructions to British, Italian, and French Representatives at Adis Ababa. Transmits No. 116. To express hope that French Government will soon reply to representations made to them in accordance with instructions in No. 101	96
126	To Colonial Office ..	..	18,	Southern frontier. Refers to No. 117. Transmits No. 118. Asks that Colonial Office may obtain Treasury sanction for expenses of delimitation (see No. 155)	96
127	Mr. G. Barclay ..	3 Africa	17,	Disputes between Copts and Abyssinians at Jerusalem. Refers to No. 95. Informs of telegram from His Majesty's Consul at Jerusalem regarding proposal made by Mutessarif for settlement of. States action taken	97
128	To Colonial Office ..	..	23,	Protection of southern frontier. Transmits No. 124. Has question of additional expenditure been referred to Treasury, and, if so, with what result? (see No. 133)	97
129	To Count Benckendorff ..	..	24,	Defence of Legations. Answers No. 103, which has been referred to Sir J. Harrington (see Nos. 130 and 171)	97
130	To Sir J. Harrington	37	24,	Defence of Legations. Refers to No. 62. Transmits Nos. 103 and 129. Requests observations on (see No. 169)	98
131	Sir F. Bertie ..	28 Africa	24,	Interpretation of Tripartite Agreement. Refers to No. 104. Transmits Memorandum from Minister for Foreign Affairs. French Government are in agreement with His Majesty's Government. Transmits letter from M. Klobukowski to Sir J. Harrington, which explains origin of erroneous impression as to former's meaning (see Nos. 140 and 149)	98
132	Papers communicated by Mr. T. L. Gilmour ..	..	28,	Railway. Text of Concession granted by Menelek to new Ethiopian Railway Company	100
133	Colonial Office ..	..	27,	Control of southern frontier. Refers to No. 128. Question of additional expenditure has been referred to Treasury (see No. 141)	105

No.	Name.	No.	Date.	SUBJECT.	Page
134	Count de Bosdari ..	..	Apr. 25, 1908	French Railway Agreement. Transmits copy of note addressed to French Government and their reply. Would His Majesty's Government support an Italian demand for alteration of clause as to levy of toll and transit dues? (see No. 145)	105
135	To Messrs. Ochs ..	..	30,	Railway. Refers to No. 108. Informs of No. 109 (see No. 156)	107
136	Sir E. Gorst ..	44	26,	Controversy between Copts and Abyssinians respecting Deir-es-Sultan	108
137	Count de Bosdari ..	..	May 1,	Admission of Abyssinia to Universal Postal Union. Transmits copies of note from French Ambassador at Rome to Italian Minister for Foreign Affairs respecting action of French Government in presenting Abyssinian request for admission to International Office (see Nos. 148, 150, and 151). Were His Majesty's Government informed?	110
138	To Sir J. Harrington	41	8,	Interpreters for British Legation. Refers to No. 121. Objections to his scheme owing to cost. Would it be possible for interpreters to finish their education at Khartoum? And could they be bound under contract to serve His Majesty's Government for certain period? (see No. 209)	111
139	Sir J. Harrington ..	15	Apr. 18,	Governorship of Arusi country. Dejaz Lul Seged has been removed from, and Dejaz Tafari has been appointed to succeed him	112
140	Count de Bosdari ..	..	Undated	Interpretation of Article 10 of Tripartite Agreement. Refers to No. 131. Asks to be informed of reply of French Government to representation respecting (see No. 149)	112
141	Colonial Office ..	..	May 8,	Control of southern frontier. Refers to No. 133. Transmits letter from Treasury respecting proposed additional escort for Inspector, and draft reply for concurrence (see No. 155)	113
142	Sir E. Egerton ..	20 Africa	6,	Interpretation of Article 10 of Tripartite Agreement. Refers to No. 101. Transmits copy of note from Italian Government stating that they are in complete agreement with His Majesty's Government respecting	114
143	India Office ..	..	13,	Amir Abdulla Sadik of Harrar. Refers to No. 49. Transmits telegram from Viceroy respecting (see No. 183)	114
144	To Count de Bosdari ..	..	14,	Proposed identic instructions to British, French, and Italian Representatives. Gives views of His Majesty's Government on proposals put forward in No. 41. Have the French Government replied with regard to Italian proposals?	115
145	To Count de Bosdari ..	..	14,	Railway. Refers to No. 134. Informs of instructions sent to His Majesty's Representative at Paris. His Majesty's Government unable to share view of Italian Government that all internal taxes in Abyssinia are abolished so far as regards commerce from Erythraea (see Nos. 147 and 172)	116

TABLE OF CONTENTS.

No.	Name.	No.	Date.	SUBJECT.	Page
146	To Mr. Lister ..	33 Africa	May 14, 1908	Railway. To thank French Government for Memorandum contained in No. 114. Before, however, His Majesty's Government can accept new Concession to Railway Company they would like to see actual text. What steps are being taken to appoint an Italian and British Representative on Board of Railway Company? (see Nos. 147 and 152) ..	117
147	To Sir J. Harrington	44	14,	Prolongation of Jibuti Railway from Diré Dawa to Adis Ababa. Transmits Nos. 145 and 146. Asks for report ..	117
148	To the Marquis di San Giuliano	..	15,	Admission of Abyssinia to Universal Postal Union. Refers to No. 137. No communication received from French Government on the subject, but it is possible that matter has been discussed with His Majesty's Minister at Adis Ababa, who has been instructed to furnish report (see No. 163) ..	118
149	" "	..	15,	Interpretation of Article 10 of Tripartite Agreement. Refers to No. 140. Informs of No. 131. His Majesty's Government have received with satisfaction assurance that Italian Government are in entire agreement with them (see Nos. 150, 151, and 191) ..	118
150	To Sir J. Harrington	45	15,	Admission of Abyssinia to Universal Postal Union. Transmits Nos. 137 and 149 for observations (see No. 177) ..	119
151	To Post Office ..	Confidential	15,	Admission of Abyssinia to Universal Postal Union. Transmits Nos. 137 and 149 for observations (see No. 160) ..	119
152	Mr. Lister..	33 Africa	21,	Railway. Informs of action taken in accordance with No. 146, and of M. Pichon's reply ..	119
153	Sir E. Egerton ..	21	21,	Frontier of Italian Somaliland. Transmits semi-official communiqué of Agence Stefani on the nature of Convention signed on 16th May between Menelek and Italian Minister at Adis Ababa. Has asked Colonel Delmé-Radcliffe to report on this arrangement. Menelek receives 3,000,000 fr. (see No. 173) ..	119
154	" "	22 Africa	21,	Italo - Abyssinian Frontier Agreement. Transmits Report from Military Attaché containing account of conversation with Signor Agnesa. Expresses hope that wireless telegraphy station will be erected at Lamu ..	120
155	Colonial Office ..	..	23,	Southern frontier. Refers to No. 126. Treasury have sanctioned proposed expenditure on account of delimitation Commission. Gives names and proposed movements of Commissioners. Suggests Commission should also demarcate portion of Soudan-Abyssinia frontier. Refers to No. 141. Treasury have refused money for additional escort for Mr. Zaphiro (see No. 158) ..	121
156	International Ethiopian Railway Trust and Construction Company	..	27,	Railway. Their claim against French Government. Refers to No. 135. Further statement respecting (see No. 241) ..	122

TABLE OF CONTENTS.

No.	Name.	No.	Date.	SUBJECT.	Page
157	Sir J. Harrington ..	16	May 9, 1908	Herr Holz's mission to Abyssinia. Refers to No. 107. As far as he knows only Concession acquired by Herr Holz is for establishing motor service between Diré Dawa and Adis Ababa (see No. 159) ..	128
158	To Colonial Office ..	..	30,	Southern frontier. Concurs in No. 155 (see No. 164) ..	128
159	Sir F. Lascelles ..	241	22,	Herr Holz's mission to Abyssinia. Refers to No. 157. Has not proved a success ..	129
160	General Post Office ..	..	June 1,	Admission of Abyssinian Government to Postal Union. Refers to No. 151. States that mails are carried to Abyssinia through medium of Post Office in French Somaliland. Correspondence of British Legation carried by messenger between Jibuti and Adis Ababa ..	129
161	Memorandum communicated by M. Geoffray	..	3,	Admission of Abyssinia to Universal Postal Union. French Ambassador at Berne has communicated to International Bureau request of Emperor Menelek for. Asks that British Representative may be instructed to inform Swiss Government that the action of the French Government was taken after an agreement on the subject had been arrived at between His Majesty's Government and French and Italian Governments (see Nos. 165 and 166) ..	129
162	Sir J. Harrington ..	18	May 16,	Control of southern frontier. Refers to No. 98. Approves of suggestion to place frontier inspectors under control of British Legation. Has attempted to induce Menelek to allow inspectors to reside on Abyssinian territory. Furnishes estimates as to cost and number of men to be employed (see Nos. 167, 195, and 218) ..	130
163	The Marquis di San Giuliano	..	June 4,	Admission of Abyssinian Government to Postal Union. Refers to No. 148. States that French Embassy at Berne had been instructed to suspend proceedings for admission of Ethiopia to Postal Union. French Government have, however, acceded to Menelek's wishes. Italian Government accept proposed procedure of Powers ..	131
164	Sir E. Gorst ..	7 Tel. Africa	17,	Southern frontier. Refers to No. 158. No objection to demarcation of frontier between Akobo and 6° south (see No. 187) ..	131
165	To M. Cambon .. " the Marquis di San Giuliano	..	17,	Admission of Abyssinia to the Postal Union. Informs of No. 166. Refers to Nos. 161 and 198 ..	131
166	To Sir G. Bonham ..	15	17,	Admission of Abyssinia to Universal Postal Union. Refers to No. 161. Instructs him in sense requested by M. Geoffray (see Nos. 165 and 185) ..	132
167	To Colonial Office ..	..	17,	Southern frontier. Refers to No. 99. Transmits Nos. 162 and 195. Does not yet think it advisable to make money payment to Menelek. Asks whether Colonial Office consider number of officers proposed insufficient. States that no application will yet be made to Treasury on subject of expenses (see No. 186) ..	132

No.	Name.	No.	Date.	SUBJECT.	Page.
168	Sir J. Harrington ..	28 Tel.	June 19, 1908	Emperor Menelek's successor. Menelek has officially named as his successor Liq Yasu, son of Ras Michael (see No. 170) ..	132
169	" " ..	21	May 30,	Defence of Legations at Adis Ababa. Refers to No. 130. Explains present position ..	133
170	The Marquis di San Giuliano ..	..	June 25,	Menelek's successor. Refers to No. 168. Enquires views of His Majesty's Government (see No. 176) ..	133
171	To Count Benckendorff	Confidential	27,	Defence of Legations. Refers to No. 129. Gives further information respecting scheme for ..	133
172	The Marquis di San Giuliano ..	..	24,	Abolition of internal taxes in Abyssinia. Refers to No. 145. Concurs in views of His Majesty's Government with regard to abolition of internal taxes. Requests support of His Majesty's Government, and states suggestions of Italian Government, who would be prepared to give His Majesty's Government similar support as regards trade with Soudan (see Nos. 192 and 208) ..	134
173	Sir E. Egerton ..	24 Africa	26,	Italo-Abyssinian Frontier Conventions. Refers to Nos. 153 and 154. Transmits text and translation of (see No. 202) ..	135
174	Memorandum communicated to M. Cambon ..	..	July 2,	Railway. Refers to No. 109. Urges claim of Imperial Ethiopian Railway Company (see Nos. 179 and 246) ..	138
175	Sir F. Bertie ..	38 Africa	2,	Franco-Abyssinian Treaty of Friendship and Commerce. Transmits copies of Bill ratifying ..	140
176	To the Marquis di San Giuliano ..	..	4,	Menelek's successor. Refers to No. 170. States heir appears suitable (see No. 182) ..	143
177	Sir J. Harrington ..	22	June 13,	Admission of Abyssinia into Postal Union. Refers to No. 150. Submits observations. Admission of Abyssinia would be premature unless full guarantees are given that postal correspondence would be secure ..	144
178	" " ..	23	13,	Fresh Concession for railway between Diré Dawa and Adis Ababa. His view as to internal taxes ..	144
179	International Ethiopian Railway Trust and Construction Company ..	..	July 3,	Railway. Refers to No. 174. Renews request for representations to Abyssinian Government to secure recognition of rights as mortgagees of station at Diré Dawa and 80 kilom. of railway (see No. 200) ..	144
180	Colonial Office ..	..	4,	Soudan-Abyssinian frontier. Refers to No. 167. Informs that Commission has already been appointed to delimit frontier. Suggests that Soudan Government should pay about one-tenth of total cost of delimitation. Total cost would be about 8,000L (see Nos. 187 and 188) ..	150
181	Sir R. Wingate ..	..	6,	Soudan-Abyssinian frontier. States that the Soudan Government cannot entertain expense of appointing special Delegate, but that Major Gwynn is quite competent to represent them (see No. 188) ..	150
182	The Marquis di San Giuliano ..	..	9,	Emperor Menelek's successor. Refers to No. 176. Italian Government have recognized Menelek's heir. What agreement has His Majesty's Government come to with French Government on subject? (see Nos. 193, 196, and 206) ..	150

No.	Name.	No.	Date.	SUBJECT.	Page.
183	India Office ..	..	July 11, 1908	Journey of Amir Abdulla Ali Sadik. Refers to No. 143. Transmits extract from weekly news letter of Political Resident at Aden announcing that Emperor Menelek will not allow Amir Abdulla to go ..	151
184	M. Carlin ..	..	13,	Admission of Abyssinia to Postal Union. Notifies adhesion of Abyssinian Government to Universal Postal Convention. Transmits copy of note from French Embassy at Berne to Federal Council. States that Federal Council is still communicating with French Embassy on several points ..	151
185	Sir G. Bonham ..	33	13,	Admission of Abyssinia to Postal Union. Refers to No. 166. Transmits reply of Federal Government to note addressed to them in accordance with instruction contained in No. 166. Has been informed that application for admission of Abyssinia was first made by French Ambassador ..	153
186	Colonial Office ..	..	14,	Southern frontier. Refers to No. 167. Concurs in draft despatch to Sir J. Harrington, and suggests that staff of two officers would be insufficient ..	154
187	To Mr. Graham ..	20 Africa	17,	Soudan-Abyssinia frontier. Refers to No. 164. Transmits No. 180, and requests views of Soudan Government with respect to appointment of officer to assist Southern Frontier Commission ..	154
188	To Colonial Office ..	..	17,	Soudan-Abyssinia frontier. Refers to No. 180. Transmits No. 181. Soudan Government will not appoint special officer, but will be represented by Major Gwynn. Requests that Major Gwynn may be informed of Sir R. Wingate's suggestion (see No. 211) ..	154
189	Sir A. Hardinge ..	76 Commercial	14,	Commercial Treaty between Belgium and Ethiopia. Transmits law appearing in "Moniteur Belge" approving Treaty, which was signed 6th September, 1906 ..	155
190	Sir E. Egerton ..	111	14,	Summary of events in Italy during fortnight ended 14th July. Extract respecting debate in Chamber on Convention with Abyssinia ..	156
191	The Marquis di San Giuliano ..	..	20,	Proposed identic instructions to Representatives of Great Britain, France, and Italy at Adis Ababa. Acknowledges No. 149. Observes on the points to be included in the instructions (see Nos. 199 and 215) ..	156
192	To the Marquis di San Giuliano ..	..	23,	Abolition of internal dues in Abyssinia. Refers to No. 172. His Majesty's Government are awaiting reply of French Government, and have applied for copy of text of new Railway Concession (see Nos. 197, 201, and 208) ..	158
193	" " ..	..	24,	Emperor Menelek's successor. Refers to No. 182. No communication has been received from French Government. His Majesty's Government intend to accept Menelek's notification of the choice of his heir (see Nos. 196, 203, and 227) ..	158

XVIII

TABLE OF CONTENTS.

No.	Name.	No.	Date.	SUBJECT.	Page
194	To Sir F. Bertie ..	47 Africa	July 24, 1908	Emperor Menelek's successor. Menelek has notified his choice of his grandson, Lij Yasu. His Majesty's Representative at Adis Ababa instructed to take act of notification, as it is understood French Minister has already done so (see Nos. 196 and 206)	158
195	To Sir J. Harrington	74	24,	Control of southern frontier. Refers to No. 162. Menelek should be asked to consent to establishment of two posts in Abyssinian territory, but should not be led to expect a money payment. Asks for views as to suitable number of Inspectors (see No. 218)	159
196	" "	75	24,	Emperor Menelek's successor. Requests him to take act of Menelek's notification of choice of his successor. Transmits Nos. 182, 193, and 194	159
197	Sir F. Bertie ..	40 Africa	25,	New Abyssinian Railway Concession. Refers to No. 192. Copy of Concession cannot be given to Embassy until it has been presented to Chamber of Deputies	159
198	The Marquis di San Giuliano	..	Aug. 8,	Adhesion of Abyssinia to Postal Union. Refers to No. 165. States that Swiss Legation has notified adhesion and informs of suggestion of French Government to admit Abyssinia to telegraph and telephone Conventions as well. Italian Government make reservations to latter proposal (see No. 204)	160
199	To the Marquis di San Giuliano	..	11,	Proposed identic instructions to Representatives of Great Britain, France, and Italy at Adis Ababa. Observations on No. 191 (see No. 215)	160
200	To Messrs. Ochs Brothers	..	13,	Railway. Refers to No. 179. His Majesty's Government unable to make desired representation to Emperor Menelek	161
201	Sir R. Wingate to Sir E. Gorst	..	13,	Abolition of internal customs dues in Abyssinia. Refers to No. 192. Discusses question from point of view of Soudan (see No. 208)	161
202	Mr. Erskine ..	28 Africa	10,	Boundary between Abyssinia and Benadir and between Dankalia and Erythraea. Refers to No. 173. Transmits Royal Decree giving effect to Conventions respecting	162
203	The Marquis di San Giuliano	..	15,	Menelek's successor. Refers to No. 193. Have French Government replied to note informing them that His Majesty's Government intended to take formal act of notification of Lij Yasu as? (see Nos. 205 and 206)	163
204	Sir G. Bonham ..	45	17,	Adhesion of Abyssinia to Postal Union. Refers to No. 196. Transmits reply of Italian Government to Swiss note proposing. Observes that Italian Government make reservations with regard to demands of Emperor respecting telegraphs and telephones. Has sent similar communication to French Embassy (see No. 207)	163
205	To the Marquis di San Giuliano	..	24,	Menelek's successor. Refers to No. 203. No reply received from French Government. His Majesty's Ambassador at Paris has been asked if he is aware of views of French Government	164

TABLE OF CONTENTS.

XIX

No.	Name.	No.	Date.	SUBJECT.	Page
206	To Sir F. Bertie ..	54 Africa	Aug. 24, 1908	Menelek's successor. Transmits No. 203. To make representation to French Government in sense of No. 194, and to ascertain if statement contained in section 2 of No. 182 is in accordance with facts (see No. 213)	164
207	Note communicated by French Embassy	..	28,	Admission of Ethiopia to Universal Postal Union. Refers to No. 204. Request made to Federal Council at Berne only applied to postal service. Would His Majesty's Government support further request applying to telegraphic service (see No. 212)	164
208	To Sir R. Wingate ..	..	29,	Abolition of internal customs dues in Abyssinia. Refers to No. 204. Transmits Nos. 172 and 192. Asks for observations	164
209	Sir J. Harrington ..	27	July 31,	Interpreters for Legation. Refers to No. 188. Observations on best methods of training (see No. 222)	165
210	" "	29	Aug. 7,	Protection of Greeks by His Majesty's Legation. Refers to No. 73. Hellenic community no longer exists. Suggests further representations to Greek Government with a view to their appointing salaried Consular officer (see No. 219)	166
211	Mr. Graham ..	9 Africa	31,	Soudan-Abyssinia frontier. Refers to No. 188. Soudan Government prepared to pay proportion of cost of delimiting	166
212	To the Marquis di San Giuliano	..	Sept. 9,	Admission of Abyssinia to Universal Postal Union. Informs of No. 207. Asks views of Italian Government before replying (see No. 230)	167
213	Sir F. Bertie ..	45 Africa	10,	Menelek's successor. Refers to No. 206. French Minister at Adis Ababa was instructed to acknowledge Menelek's communication notifying choice of Lij Yasu	167
214	To the Marquis di San Giuliano	..	16,	Menelek's successor. Informs of No. 213	168
215	The Marquis di San Giuliano	..	19,	Identic instructions respecting Tripartite Agreement. Refers to Nos. 191 and 199. Requests that His Majesty's Government will propose a formula with regard to <i>modus procedendi</i> (see No. 224)	168
216	Sir J. Harrington ..	33 Tel.	23,	Protection of southern frontier. Presumes that grant for next year will be renewed (see Nos. 220 and 250)	168
217	Memorandum by Sir F. Campbell	..	25,	Identic instructions respecting Tripartite Agreement. Conversation with French Ambassador, who stated that Italian Ambassador at Paris has suggested to M. Pichon that further instructions should be given to Representatives of Powers at Adis Ababa. M. Pichon replied that further instructions seemed unnecessary. French Government requests views of His Majesty's Government (see No. 223)	169
218	Sir J. Harrington ..	31	4,	Southern frontier. Refers to Nos. 162 and 195. If extra expenditure can be sanctioned, three inspectors would be better than two	169

No.	Name.	No.	Date.	SUBJECT.	Page
219	Mr. Young ..	4 Africa	Sept. 21, 1908	Greek community at Adis Ababa. Refers to No. 210. Reports conversation with Minister for Foreign Affairs. Greek Government propose to send their Consul-General at Alexandria to enquire into cause of decline of Greek community ..	169
220	To Sir J. Harrington	93	30,	Southern frontier. Refers to No. 216. Requests reasons for maintaining permanent inspector on the frontier after departure of Delimitation Commission (see No. 250)	170
221	Mr. Graham ..	11 Africa	26,	Mr. Armbruster's journey in Abyssinia. Transmits report by Mr. C. H. Armbruster (see No. 236) ..	170
222	Treasury ..	..	Oct. 5,	Interpreters for His Majesty's Legation at Adis Ababa. Refers to No. 209. Agree to pay cost of educating two young men at Khartoum, but ask that Treasury should be consulted before the experiment is repeated ..	203
223	To M. Cambon ..	..	14,	Identic instructions respecting Tripartite Agreement. Refers to No. 217. Transmits His Majesty's Government's reply to draft of Italian proposals ..	203
224	To the Marquis di San Giuliano	..	14,	Identic instructions respecting Tripartite Agreement. Refers to No. 215. Considers it useless to draft a clause on subject of <i>modus procedendi</i> until views of French Government have been ascertained. Thinks it advisable not to take action immediately, as affairs at Adis Ababa are quiet ..	204
225	Lord H. Hervey ..	35 Tel.	Undated	Southern frontier delimitation. Proposes that Major Gwynn should leave about 20th October, as Abyssinian Commissioners have not been appointed. Describes Major Gwynn's subsequent movements, and enquires whether His Majesty's Government require him to proceed as suggested (see No. 228) ..	205
226	To Lord H. Hervey ..	22 Tel.	Oct. 16,	Southern frontier delimitation. Refers to No. 225. Informs of message he is to deliver to Menelek ..	205
227	To the Marquis di San Giuliano	..	17,	Emperor Menelek's successor. Refers to No. 193. Sir J. Harrington has been instructed formally to acknowledge announcement of (see No. 239) ..	206
228	To Colonial Office ..	..	19,	Southern frontier. Transmits Nos. 225 and 226 ..	206
229	Lord H. Hervey ..	36 Tel.	21,	Southern frontier delimitation. Refers to No. 225. Menelek too ill to read letter. Hopes to settle everything with Queen and leading Abyssinians. Major Gwynn starts for Ginir on 24th instant (see No. 232) ..	206
230	The Marquis di San Giuliano	..	24,	Adhesion of Abyssinia to St. Petersburg Telegraph Convention. Refers to No. 212. Transmits French reply to Italian note, and informs of instructions to Italian Ambassador at Paris (see No. 237)..	207

No.	Name.	No.	Date.	SUBJECT.	Page
231	Colonial Office ..	..	Oct. 28, 1908	Illness of Emperor Menelek. Transmits telegram from Commissioner of Somaliland respecting anti-foreign attitude of new Governor of Harrar (see No. 233) ..	208
232	Lord H. Hervey ..	37 Tel.	29,	Abyssinian Boundary Commissioner. Refers to No. 229. Emperor is still considering question of appointment of. Major Gwynn started for Dolo. What instructions for him in event of Abyssinian Commissioner not meeting him or not being appointed in time? (see No. 234) ..	208
233	To Lord H. Hervey	23 Tel.	30,	Illness of Emperor Menelek. Refers to No. 231. Is there any reason for anxiety of European residents in Harrar reported by Commissioner of Somaliland? To report as to Menelek's health ..	208
234	" "	24 Tel.	Nov. 2,	Southern frontier delimitation. Refers to No. 232. Major Gwynn should proceed with work of delimitation with full knowledge of frontier Chiefs. His Majesty's Government have full confidence in his judgment. Emperor should be told that Major Gwynn must set to work while dry season lasts ..	209
235	M. Carlin ..	..	2,	Admission of Abyssinia to Postal Union. Refers to No. 212. Admission will take place on 1st November. Swiss Government are considering proper contribution of Abyssinian Government to expenses of International Bureau ..	209
236	To Sir E. Gorst ..	28 Africa	3,	Mr. Armbruster's report on his journey in Abyssinia. Refers to No. 221. Informs of instructions sent to Adis Ababa in consequence of ..	210
237	To General Post Office	..	3,	Adhesion of Abyssinia to St. Petersburg Telegraph Convention of July 1875. Refers to No. 230. Makes observations on opinions of French and Italian Governments. Requests views as to advantages or disadvantages of Abyssinia's adhesion ..	210
238	Lord H. Hervey ..	33	Oct. 14,	General situation in Abyssinia. Reports briefly on, with special reference to M. Klobukowski's new Railway Concession, French ambitions, movements of foreign Representatives, Emperor's illness, &c.	211
239	The Marquis di San Giuliano	..	Nov. 9,	Emperor Menelek's successor. Refers to No. 237. Italian Government propose to instruct Count Colli to acknowledge Emperor's choice of an heir ..	212
240	Lord H. Hervey ..	34	Oct. 23,	Southern frontier delimitation. Refers to No. 226. Improbable that letter will reach Menelek. Queen afraid to take initiative. Special instructions for Major Gwynn can be sent out by messenger (see No. 242) ..	212
241	International Ethiopian Railway Trust and Construction Company	..	Nov. 17,	Position of Ethiopian Trust Company. Refers to No. 156. Informs of French "Projet de Loi" and of disclosures which Company will have to make to the public if the Bill is passed. Requests that copy of both Amharic and French texts of original Concession may be obtained (see Nos. 243 and 244) ..	213

TABLE OF CONTENTS.

No.	Name.	No.	Date.	SUBJECT.	Page
242	Lord H. Hervey ..	35	Oct. 30, 1908	Southern frontier inspector. Refers to No. 240. Gives reasons for not withdrawing Mr. Zaphiro. Recommends strengthening force under him (see No. 250) ..	215
243	To Sir F. Bertie ..	71 Africa	Nov. 24,	Railway. Position of Ethiopian Trust Company. Transmits No. 241. Instructs him to press for reply to Memorandum of 2nd July, and to inform Minister for Foreign Affairs that Trust Company will make disagreeable disclosures if Convention between French Government and new Railway Company becomes law (see Nos. 245 and 247) ..	215
244	To Ethiopian Trust Company ..	..	24,	Position of Ethiopian Trust Company. Refers to No. 241. States that their letter of 27th May was communicated to French Ambassador on 22nd July, but that no reply has been received. His Majesty's Ambassador at Paris instructed to press for a reply ..	216
245	Mr. Grahame ..	57	26,	Ethiopian Railway Trust and Construction Company. Has spoken to M. Louis in sense of No. 243. M. Louis promised reply to representations of His Majesty's Government (see No. 249) ..	216
246	Memorandum communicated by M. Cambon ..	..	Dec. 2,	Claims of Ethiopian Trust Company. Refers to No. 174. Explains delay in replying. Denies allegation of Trust Company that they had been encouraged by M. Klobukowski and M. Guernaut to help Railway Company. Claim of Trust Company is purely legal matter (see No. 257) ..	217
247	To Sir F. Bertie ..	5 Tel. Africa	3,	Position of Ethiopian Railway Trust Company. French Government threaten to pronounce <i>déchéance</i> of Company. They should be requested to reply to Memorandum of 2nd July, inclosed in No. 243. His Majesty's Government may have to request French Government to submit question of compensation to arbitration (see No. 249) ..	217
248	Lord H. Hervey ..	36	Nov. 7,	Disturbances on southern frontier. Transmits extracts from reports from Mr. Zaphiro. Prompt establishment of frontier force the only means of preventing Abyssinian raids and decimation of elephants ..	217
249	Sir F. Bertie ..	58 Africa Confidential	Dec. 4,	Position of Ethiopian Railway Trust Company. Refers to Nos. 245 and 247. Reports conversations with Captain England and Mr. Gilmour, and later with M. Pichon, who requested that instructions inclosed in No. 247 might be sent to M. Louis (see No. 253) ..	219
249*	Sir J. Harrington ..	..	6,	Political situation in Abyssinia. Transmits Memorandum on ..	220a
250	To Colonial Office ..	..	9,	Southern frontier inspector. Will support any representations which Colonial Office may wish to make to the Treasury as to Mr. Zaphiro's continued employment. Transmits Nos. 216, 220, and 242 ..	220
251	Sir F. Bertie ..	60 Africa	9,	Ethiopian Railway Trust Company. Transmits Decree published in "Journal Officiel" declaring <i>déchéance</i> , and also a report on the Decree by Minister for Foreign Affairs and Minister for Colonies. Explains report ..	221

TABLE OF CONTENTS.

No.	Name.	No.	Date.	SUBJECT.	Page
252	International Ethiopian Railway Trust and Construction Company ..	..	Dec. 9, 1908	<i>Déchéance</i> of Imperial Ethiopian Railway Company. Transmits (1) Memorandum respecting British interests; (2) Resolution passed at shareholders' meeting; (3) <i>procès-verbal</i> of proceedings of Commission of nine ..	223
253	Sir F. Bertie ..	61 Africa	10,	Position of Ethiopian Railway Trust Company. Refers to No. 249. Transmits Memorandum by Mr. Gilmour with observations on. Reports conversation with M. Pichon ..	230
253*	To Colonial Office ..	..	18,	Control of southern frontier. Transmits No. 248, and draft of despatch to Lord H. Hervey respecting steps to be taken for preservation of order during Menelek's illness ..	230*
254	International Ethiopian Railway Trust and Construction Company ..	..	22,	<i>Déchéance</i> of Ethiopian Railway Company. Transmits report addressed to President of Republic and Decree signed by him. Observations on ..	230
255	Lord H. Hervey ..	38	5,	Southern frontier delimitation. Reports interview with Emperor on subject of (1) appointment of Commissioners, (2) treatment of Major Gwynn at Ginir by subordinate Headman ..	238
256	" " ..	40 Private and Conf.	5,	Mr. Armbruster's journey in Abyssinia. Refers to No. 221. Observations on his Report ..	238
257	To Ethiopian Trust Company ..	..	28,	Claims of Ethiopian Trust Company. Gives substance of No. 246 ..	239

CONFIDENTIAL.

Further Correspondence respecting the Affairs of Abyssinia

PART IV.

[170]

No. 1.

Memorandum respecting the Ethiopian Railway.—(Communicated by Mr. Gilmour, January 1.)

WHEN, on the 9th March, 1894, the Emperor Menelek granted the Concession to construct a railway from Jibuti to Harrar, the Concession was granted to M. Ilg, a Swiss engineer. The Emperor has repeatedly declared that he intended the railway to be Abyssinian, and that it was his intention that it should be a commercial enterprise. The Company which was subsequently registered to take over the Concession was a French Company; but there was nothing to indicate that foreign capital could not legitimately be employed in the enterprise. The principal inducement to capitalists to invest capital in the line was the grant, in Article IX, of the right to levy a "droit de 10 pour cent sur toutes les marchandises montant ou descendant." The grant of this right took the place of the guarantee which is frequently offered by a civilized Government to induce capitalists to find the money for a colonial railway.

The right to levy the "droit" of 10 per cent. would have arisen on the completion of the railway to Diré Daouah; but, before the line was completed, the French Government had entered into an Agreement (6th February, 1902) with the Railway Company, by which an annual subvention was granted to the Company, and the French Government obtained certain rights and privileges. Many of these rights and privileges affecting Abyssinian territory were made subject to the approval of the Emperor Menelek. That approval has never been given—indeed, the Emperor has publicly stated that he regarded the Convention of February 1902 as "an Agreement by which his supremacy is threatened," and added that he "had always looked upon the construction of the railway as a commercial enterprise," and "had never admitted that this railway should become a political instrument in foreign hands."

To mark his disapproval of the Convention, the Emperor declined to allow the "droit" of 10 per cent. to be collected, and the Railway Company, deprived of this important source of revenue, found itself in financial difficulties. It appealed to the French Government to remove the cause of these difficulties, and negotiations between the French Government, the British and Italian Governments, and the Emperor Menelek were entered on, extending over a lengthy period. While these negotiations were in progress the Railway Company was necessarily obliged to make arrangements for its continued existence. The funds for that purpose were provided by a British group, whose interests were consolidated in the International Ethiopian Railway Trust and Construction Company (Limited), a Company registered in London.

The Railway Company made repeated appeals to the French Government to secure the removal of the difficulties under which it laboured, which were recognized by all those interested to be entirely political in character. At an Ordinary General Meeting of the shareholders, held in Paris on the 20th November, 1905, the Manager of the Company, in response to an inquiry by the shareholders, explained the situation, and

[1557]

B

stated that the difficulties of the Company were entirely political, and could only be removed by the action of the French Government, which was in communication with the Company with a view to the removal of those difficulties. He added:—

“Ce sera, nous pouvons vous l'affirmer, dans un bref délai, car au moment même où nous rendions à cette assemblée nous recevions l'avis autorisé qu'un programme d'action vient d'être arrêté par le Gouvernement Français de façon à ce que la solution définitive que nous attendions soit intervenue avant le 1^{er} Mars prochain.”

This statement was received with applause, and a shareholder proposed a Resolution recognizing that it was only by a diplomatic agreement that the Company could be placed in the enjoyment of its rights and privileges, begging that the intervention of the French Government might be prompt and energetic, and thanking the Government for its “bienveillance.” The “Commissaire du Gouvernement,” who was present in his official capacity, thanked the shareholders on behalf of the Government for passing this Resolution, and did not in any way question the accuracy of the statement which had been made, that the Government had promised a solution of the Company's difficulties by the 1st March, 1906.

There is not the slightest room for doubt that the principal “right and privilege” which the shareholders believed would be secured to them by the French Government was the right to levy the 10 per cent. “droit,” to which they were entitled in the terms of the Concession.

The diplomatic negotiations were, however, not concluded by the 1st March, 1906, and the Railway Company, which was already the debtor of the Trust Company for a considerable amount, found itself obliged to ask the Trust Company to make a further advance to meet the coupon due in March. The French Government was not only cognizant of the arrangement made by the Railway Company, but by an official letter dated the 1st March, 1906, of which a copy has been forwarded to the Foreign Office, gave its sanction to an arrangement by which the Trust undertook to find the money, not only for the March coupon, but for the coupon which became due on the following June, the Trust Company to receive in exchange bonds at a fixed price, which the Government stipulated should be issued subject to the condition that they were not to become negotiable until the 15th October of the same year.

It is clear that the arrangement for the payment of the June coupon as well as of the March coupon was made to afford what every one concerned believed would be ample time to enable the diplomatic negotiations which were then in progress to be concluded, negotiations which the Railway Company and all its supporters confidently believed would result in the Company being placed in the position to collect the “droit” of 10 per cent. to which it was entitled, or some equivalent revenue.

But in August, when the September coupon was about to fall due, no communication of any kind as to a settlement had been made by the French Government to the Railway Company, and the Company accordingly applied to the Government for permission to make a fresh issue of bonds against provision of the amount required for the service of the September coupon.

In March, when the French Government had officially sanctioned the advance by the Trust Company, M. Clementel was Minister for the Colonies. Consequent on a change of Ministry, M. Leygues had before August succeeded M. Clementel at the Colonial Office, and to the astonishment and dismay of all those interested in the maintenance of the Railway Company, M. Leygues, reversing the policy of his predecessor, declined to give his sanction to a further loan by the Railway Company against an issue of bonds.

The Railway Company thus found itself in a very serious position. If it did not meet the coupon which was about to fall due it would be obliged to declare itself unable to meet its obligations and to seek refuge in judicial liquidation. The refusal of the French Government, as represented by M. Leygues, to comply with the request of the Railway Company, synchronized with a violent press campaign against the Railway Company, the avowed object of which was to force the Company into liquidation, and the principal argument employed by those responsible for the campaign was that by accepting the financial assistance of the Trust Company the Ethiopian Railway had lost its character as a French enterprise, and had fallen into the hands of a British group. It was clear, however, that behind this patriotic façade there lurked other designs, and that a powerful financial group was anxious to secure the liquidation of the Railway Company in order to acquire its assets at a price greatly below their real value. The Railway Company was therefore fighting for its existence, and hoped that if it could continue in existence the solution promised by the French Government would

enable it to enter on the enjoyment of the rights and privileges to which it was entitled under its original Concession.

The Trust Company also found itself in an equally serious and embarrassing position. With the sanction of the French Government, and in reliance on the good faith of that Government, the Trust Company had advanced large sums of money to the Railway Company, and had agreed to accept bonds which were not negotiable until the 15th October. These bonds had not, in fact, been handed over to the Trust Company, which now saw the existence of the Railway Company menaced by the action of the French Government. To protect the bonds which they had agreed to accept in reliance on the good faith of the French Government, and also to protect the contract which they held for the construction of the second section of the railway from Diré Daouah to Adis Abeba, the Trust Company was desirous of maintaining the Railway Company in existence, sharing with the Railway Company the belief that the settlement promised would place the latter Company in possession of the revenues from the “droit” of 10 per cent. to which it was entitled by the Concession.

A decision had to be taken. The Trust Company took the opinion of Maître Séligmann, a distinguished member of the French bar, and advised them that the Railway Company could, without contravening the terms of the Convention of 1902, “faire les opérations de pure administration nécessitées par l'intérêt social.”

Acting on this advice, the Trust Company advanced to the Railway Company a sum of 270,000 fr., taking as security a mortgage on the station at Diré Daouah and on 40 kilom. of the railway situated in Abyssinian territory.

The position taken up by the Trust Company is explained in a letter signed by the Paris Secretary, which was addressed on the 22nd October, 1906, by the Trust Company to the Minister for the Colonies. A copy of this letter was forwarded to the Foreign Office on the 9th November. Reference is made to the letter for a more detailed statement of the position taken up by the Trust Company.

Negotiations, into which it is impossible to enter in any detail, were then undertaken between the representatives of the Trust Company in Paris and the French Government. While these negotiations were still in progress, and before the publication of the Tripartite Agreement of the 13th December, 1906, another coupon fell due on the 1st December, and the Trust Company, with the same object in view as before, again provided the funds for the payment of the coupon, taking a further mortgage on 20 kilom. of the line in Abyssinian territory. The negotiations continued, and when the 1st March approached the Trust Company had again to consider whether it would continue to lend the Railway Company its financial support. M. Klobukowski, who had by this time been appointed Special Envoy to the Emperor Menelek, was now actively engaged in the negotiations, and expressed to several representatives of the Trust Company his desire that the Trust Company would provide the funds for the payment of the March coupon, M. Klobukowski stating that he wished to avoid the liquidation of the Railway Company. Meanwhile, the French Colonial Office, under M. Leygues and his successor, M. Milliès-Lacroix, had persistently maintained an attitude of hostility to the Railway Company and to the Trust, lending their assistance to those who were seeking to drive the Railway Company into liquidation. Still unwilling to believe that the elements in the French Government hostile to the Railway Company would triumph, and conforming to the desire expressed by M. Klobukowski, the Trust made a further advance to the Railway Company to meet the March coupon, taking a further mortgage on another 20 kilom. of the railway in Abyssinian territory as security.

On the 27th March the French Government addressed to the Vice-President of the Railway Company a formal *mise en demeure*, stating that the loans contracted with the Trust Company in the circumstances briefly recapitulated above, having been contracted without the authorization of the Minister for the Colonies, were in contravention of the terms of the Convention of February 1902, and giving the Company three months in which to regularize its position.

In view of this formal intimation from the French Government, which invited the Company to place itself in judicial liquidation, the Trust Company felt that it was no longer possible for it to continue its financial support to the Railway Company. Accordingly, when on the 27th May the Railway Company applied to the Trust for a further advance to enable it to meet the coupon due on the 1st June, the Trust declined to accede to the request, and explained its reasons in a letter dated the 28th May addressed to the Railway Company, copy of which was forwarded to the Foreign Office on the 30th May, and to which reference is made for a full statement of the position taken up by the Trust.

Deprived of the financial support of the Trust, the Railway Company had no

alternative but to place itself in judicial liquidation, and M. Vacher was appointed liquidator, the "Juge Commissaire" being the President of the Tribunal of Commerce.

Had the liquidation followed the ordinary course, M. Vacher, after investigating the affairs of the Company, would have prepared for submission to the shareholders a scheme of reconstruction involving a rearrangement of the capital. But the liquidation has not been allowed to follow the ordinary course. The avowed object of those who have so persistently sought to obtain the liquidation of the Company was to eliminate the British element, and thus secure the exclusively French character of the enterprise. Had this political object—the legitimate character of which the Trust Company does not, in view of the provisions of the Tripartite Agreement of December 1906, feel that it could now call in question—been the sole object which it was desired to attain, it is submitted that the fair and reasonable method of attaining that object would have been for the French Government—with whose cognizance and sanction, and, indeed, on whose invitation (see paragraph 6 of the letter of the 22nd October, 1906, from the Trust Company to the Minister for the Colonies), some portion of the Trust Company's interests had been acquired—to have, either itself or by the intermediary of the financiers whose assistance in this matter it has sought, purchased the whole of the interests of the British group in the Railway Company. But behind this avowed legitimate political object, there is a further unavowed object which cannot in any sense be described as legitimate, that is, the acquisition by the financial group with which the French Government is negotiating for the construction of the second section of the line of the assets of the existing Railway Company at a break-up price much below their actual value.

On the 7th December the liquidator, at a meeting of shareholders which he had convoked, explained the scheme which had been proposed to him verbally by the Minister for the Colonies. That scheme involves the disappearance of the present Company and the formation of a new Company, which should either take over the existing Concession or acquire a new Concession from the Emperor Menelek, but in either case should acquire the assets of the existing Company and construct the second section of the line from Diré Daouah to Adis Abeba. The whole of the capital of the new Company it is proposed to guarantee by the French Government, and the new Company is to enjoy the right to levy a "droit" on all goods passing over the railway, reduced by agreement with the Emperor Menelek from the 10 per cent. secured to the existing Company to 4 per cent. As regards the old Company, the scheme laid before the shareholders by the liquidator was that the whole of its assets should be purchased for an annual payment of 330,000 fr. for seventy-five years, guaranteed by the French Government. Certain prospective rights in the future profits of the new Company were also to be allotted to the shareholders of the existing Company, but these are so problematical in character as to be of little or no practical value.

The total inadequacy of the proposal may be demonstrated in several ways; but it is instructive to note that the liquidator himself stated, in reply to a question addressed to him by a shareholder, that he could not recommend the acceptance of the Government proposal.

If the annual payment of 330,000 fr. for seventy-five years is capitalized at 5 per cent., it would produce a sum of rather less than 6,500,000 fr. The sum expended on the construction of the railway owned by the existing Company is not less than 45,000,000 fr. Its present value, on a conservative estimate, after eliminating various charges which, legitimate in themselves, cannot be taken into account in estimating present value, is from 27,000,000 fr. to 30,000,000 fr. Whichever figure is taken, it will be seen that the proposal of the Government is wholly unreasonable.

Another method of presenting the matter is this. At the price fixed for the purchase of the existing Company's assets the new Company would acquire the existing railway at a price of, roughly, 800l. a kilom., while the Government guarantee for the construction of the second section provides for a cost of, in round figures, about 4,000l. a kilom.

Again, it is understood that the bondholders and creditors of the existing Company will receive payment in bonds, one bond of 100 fr. bearing 2 per cent. interest being given for every bond of 500 fr. bearing 3 per cent. interest. Instead of 15 fr. per annum the bondholders will thus receive 2 fr., or about 14 per cent. of the capital value of the bonds he now holds.

It is obvious, therefore, however it is looked at, that the proposal of the French Government for buying out the old Company unduly favours the proposed new Company at the expense of the old Company.

In so far as the interests concerned are French, it is recognized that the matter is

not one in which His Majesty's Government could be asked to intervene, but as British commercial interests are largely involved, it is submitted that His Majesty's Government is intitled to intervene for the protection of those interests.

The grounds on which that intervention is sought are, among others, as follows:—

1. The Concession was not originally given to a French citizen. The intention of the Emperor Menelek was that the railway should be a commercial enterprise. There was therefore no reason why British capital should not be invested in the railway.

2. Though the Imperial Ethiopian Railway Company is a French Company, there is nothing in its constitution to prevent foreign capital being invested in the Company. At the present moment millions of British capital are invested in French Companies, and millions of French capital are invested in British Companies.

3. The British group, now represented by the International Ethiopian Railway Trust and Construction Company, for a long time lent its financial assistance to the Ethiopian Railway Company when that Company could not obtain financial support in France.

4. The financial assistance thus rendered was given with the knowledge of the French Government. It was subsequently continued with the official sanction of the French Government, and increased at the request of the French Government.

5. The Government thus availed itself of the services of the Trust Company to maintain the Railway Company in existence while the Abyssinian negotiations were in progress. Having thus recognized and availed itself of the participation of the Trust Company in the Railway Company, it is submitted that the French Government is under a moral obligation to see that the Trust Company does not suffer thereby. Certainly, to put the matter on a lower plane, the French Government is under an obligation not by any act on its part to destroy or depreciate the value of the security which the Trust Company accepted with its approval and consent.

6. The action of the Trust Company in making the three loans to the Railway Company without the consent of the French Government was not unreasonable in view—

(1.) Of the fact that the refusal of the French Government, involving the liquidation of the Railway Company, placed in jeopardy the securities which the Trust Company had accepted with the sanction of the Government;

(2.) Of the opinion of Maître Seligmann that the loans were not in contravention of the Convention of 1902; and

(3.) Of the statements made by M. Klobukowski, the recognized agent of the Government, as to the desire of the French Foreign Office that the Company should be kept in existence.

7. The French Government being desirous, for political reasons, *i.e.*, the maintenance of the exclusively French character of the railway, to eliminate the British commercial interests, is bound to see that those interests are treated on an equitable basis. This obligation is strengthened where part of those interests have been acquired with the sanction, and even at the request, of the French Government.

8. From the moment when it became known that the British Government had acquiesced in the line to Adis Abeba being under exclusively French auspices, the Trust Company expressed its willingness to surrender its interests to the French Government or to a French financial group on equitable terms. It is still willing to do so.

9. The terms offered by the French Government, as stated by the liquidator, for the purchase of the assets of the Railway Company, are demonstrably inadequate, and would entail a heavy loss on the Trust Company.

10. The position of the Trust Company is for the reasons already stated differentiated from that of the ordinary share and bond holders who acquired their holdings in the ordinary course. Without in any way seeking to belittle the position of the French share and bond holders, the Trust Company maintains that it has special claims to the just consideration of the French Government.

It is submitted that the statement now made furnishes adequate grounds for friendly but firm representations by His Majesty's Government to the French Government, and for a renewal of the suggestion that, in the interests of justice and in the maintenance of the very friendly relations which now happily exist between the two Governments and

peoples, the French Government should accept the principle of acquiring the interests of the Trust Company in the Ethiopian Railway Company by purchasing those interests at a fair and reasonable price. If His Majesty's Government did not take special precautions to safeguard the British commercial interests involved when consenting to the line to Adis Abeba being under French control, it must be presumed that His Majesty's Government relied on the sense of justice and equity of the French Government to treat those interests with respect and consideration.

Should, however, the French Government decline to recognize the just claims of the British commercial interests involved, it is impossible to doubt that a most painful impression will be created in commercial and financial circles in England.

To defend their conduct to the shareholders, the Board of the Trust Company will have no alternative but to make a full statement of the facts, in which they must necessarily point out how the French Government, having used British capital to serve its own ends, has treated that capital with grave and flagrant injustice because it was British capital, and has further, consciously or unconsciously, lent itself to the manoeuvres of a group of French financiers bent on acquiring at a ludicrously inadequate price property which they could only acquire with the connivance and assistance of the French Government. The alternative will be presented that the French Government is either the dupe or the accomplice of its financial associates, and neither alternative is likely to inspire confidence in the French Government or to encourage commercial intercourse between the two countries.

January 1, 1908.

[199]

No. 2.

Mr. Hohler to Sir Edward Grey.—(Received January 2, 1908.)

(No. 67. Confidential.)
(Telegraphic.) P.

Adis Abeba, December 31, 1907.

ON the best authority I hear that the Emperor Menelek has so far not entered into any engagement whatever, as regards the railway, with the French Minister, either with reference to the abolition of the present Company or to future construction.

The Emperor thinks that before abolishing the present Company and granting a Concession to a new one, the former ought first to return to him their Concession. This mode of procedure seems to me very dangerous; please refer to my telegram No. 7. He told my informant that he thought of building the line himself.

For this purpose a tax of 1 dollar on every animal in the country is already being raised.

[783]

No. 3.

Mr. Hohler to Sir Edward Grey.—(Received January 8.)

(No. 1. Confidential.)
(Telegraphic.) P.

Adis Abeba, January 6, 1908.

I HEAR that the Emperor Menelek is longing for M. Klobukowski's departure, and is weary of him, so much so that he has asked M. Chefneux to send a private telegram to Paris to find out whether Klobukowski is to be kept on here till the new Minister arrives, and when the latter is starting.

No definite agreement has been come to about the Commercial Treaty, and nothing has been done about the railway.

[224]

No. 4.

Colonial Office to Foreign Office.—(Received January 3.)

Sir,

Downing Street, January 2, 1908.

WITH reference to your letter of the 27th ultimo, I am directed by the Earl of Elgin to state, for the information of Secretary Sir E. Grey, that his Lordship concurs in Sir E. Grey's proposal that the instructions already sent to His Majesty's Chargé

d'Affaires at Adis Abeba with regard to the southern frontier of Abyssinia should be allowed to stand.

I am, &c.
(Signed) C. P. LUCAS.

[32377]

No. 5.

Foreign Office to Treasury.

Sir,

Foreign Office, January 3, 1908.

WITH reference to your letter of the 27th September, 1907, relative to the question of the defence of the foreign Legations at Adis Abeba, I am directed by Secretary Sir E. Grey to place before you, for the information of the Lords Commissioners of His Majesty's Treasury, a summary of the situation as it at present exists.

Sir J. Harrington's scheme, which is already in the possession of their Lordships, has been accepted, practically as it stands, by the German Government, who have started building a Legation on the lines indicated and in the quarter suggested in that scheme. The Italian Government have authorized their Chargé d'Affaires in Adis Abeba to spend over 3,000*l.* towards acquiring materials for the construction of a Legation, for which the Italian Parliament will be asked for a further credit of 12,000*l.*, which sum includes the amount to be devoted to securing the assistance of an Abyssinian Chief in case of need.

The Russian Government practically accepted the scheme in principle in October 1906, but they are now awaiting the observations of their Representative in Adis Abeba before sending their final reply.

The French Government have also referred the question to their Minister in Abyssinia for an expression of his views.

Two of the Powers interested having thus definitely committed themselves to a policy proposed by His Majesty's Government, and there being no reason to suppose that the Russian Government will not be equally ready to accept our suggestions, I am to state that the Secretary of State for Foreign Affairs is of opinion that it is more important to decide the line of action of His Majesty's Government than to await the reply of the French Government, as the dangers of delay are obvious; and he therefore considers that the question has now reached a stage when Sir J. Harrington's proposals should again be submitted for the consideration of the Lords Commissioners, as suggested in your letter under reply.

Sir E. Grey will ascertain from the War Office the actual cost of the arms, &c., suggested by Sir J. Harrington, and a detailed estimate of the provisions required and of the period for which they will keep in Abyssinia will be submitted as soon as the necessary information has been received from Adis Abeba; but he trusts that in the meantime it may be possible for the Lords Commissioners to sanction the proposed expenditure of 15,000*l.*, as, in view of the action already taken by Italy and Germany, it would clearly have a most unfortunate effect were Great Britain not prepared to devote a sum equal in amount to that already allotted to the purpose by those Powers.

With regard to the question of the discretionary power to pay 5,000*l.* on emergency for the services of a local Chief, as to which their Lordships are of opinion that any indication of readiness to pay such a sum would be calculated to insure the emergency arising, I am to point out that the power to spend this amount will be contingent upon the Emperor Menelek's death, and presumably their Lordships do not intend to imply that this event will be brought about by giving to His Majesty's Representative the discretionary power asked for. Should, however, the death of the Emperor produce a situation of danger, of which there is an undoubted risk, it will then be too late to give the power in time.

I am, &c.
(Signed) W. LANGLEY.

[864]

No. 6.

*M. Geoffray to Sir Edward Grey.—(Received January 9.)*Cher Sir Edward Grey. *Ambassade de France, Londres, le 8 Janvier, 1908.*

À PLUSIEURS reprises votre Excellence a exprimé le désir d'être renseignée sur les résultats des négociations que notre Agent au Caire, envoyé en mission spéciale près le Négus, avait été chargé d'ouvrir avec ce Souverain pour fixer les conditions dans lesquelles pourrait être achevé et exploité le chemin de fer de Djibouti à Addis-Abeba.

Jusqu'à ce jour, M. Pichon avait dû se borner à répondre que les négociations se poursuivaient de façon satisfaisante: le point où en sont arrivées aujourd'hui les négociations entre M. Klobukowski et le Négus permet au Gouvernement Français de donner, conformément aux prescriptions de l'Article 10 de l'Accord de 1906, au Cabinet de Londres les indications relatives à ces pourparlers. Les mêmes informations sont, du reste, adressées au Gouvernement Italien.

L'Empereur Ménélik, qui, dès le début, avait formellement déclaré son intention de ne pas accorder à la Compagnie Impériale des Chemins de Fer Éthiopiens le droit d'achever la ligne ferrée, et qui demandait la disparition de cette Société, s'est montré disposé, d'abord à ne donner qu'à une nouvelle Société Française, présentée et recommandée par le Gouvernement Français, le droit d'exploiter et d'achever le Chemin de Fer de Djibouti à Addis-Abeba, ensuite à coopérer, dans une mesure et par des moyens à déterminer, à l'exploitation et à l'achèvement de la ligne.

Le mode et la nature de la coopération du Négus seraient réglés de la manière suivante :—

Toutes les marchandises entrant en territoire Abyssin ou en sortant par la voie du chemin de fer acquitteraient une taxe, indépendante des droits de douane, de 6 pour cent *ad valorem*; 4 pour cent de cette taxe seraient perçus au profit de la nouvelle Compagnie du Chemin de Fer, 2 pour cent au profit du Négus, à charge par lui d'exécuter certains travaux utiles à la ligne. Par contre, les marchandises empruntant la voie ferrée, à l'exclusion des marchandises acheminées par tout autre mode de transport, seraient exemptées des taxes intérieures de péage et de transit.

M. Pichon estime qu'il n'est pas sans intérêt de faire remarquer que cette exemption des taxes intérieures ne constitue pas un régime de faveur au profit d'une certaine catégorie de marchandises; elle n'est en effet que la contrepartie de la surtaxe de 6 pour cent, qui sera perçue dans les conditions ci-dessus indiquées, et toutes les marchandises voyageant par le chemin de fer seront, quelle que soit leur nationalité, soumises au même traitement. En somme, la coopération effective de l'État Éthiopien à l'œuvre du chemin de fer consiste à autoriser, en ce qui concerne les marchandises transportées par la voie ferrée, la perception d'une taxe dont bénéficiera en partie la Compagnie du Chemin de Fer, et qui remplacera les taxes intérieures perçues sur les caravanes au profit du Trésor Éthiopien. Si cette combinaison, qui a l'avantage de ne léser aucun intérêt, produisait les résultats escomptés, elle pourrait dans l'avenir être employée pour faciliter l'établissement des autres lignes ferrées dont la construction est envisagée dans l'Accord du 1^{er} Décembre, 1906.

L'Empereur Ménélik a de plus manifesté son intention de participer à la constitution du capital de la nouvelle Société au moyen d'un apport personnel de fonds; par contre, le Gouvernement de la République s'est engagé à garantir au Négus le remboursement d'une créance importante qu'il a à faire valoir contre la Compagnie Impériale des Chemins de Fer Éthiopiens, aujourd'hui en liquidation.

Telles sont les bases sur lesquelles sera sans doute incessamment conclu l'accord que M. Klobukowski était chargé de négocier avec l'Empereur Ménélik.

En ce qui touche les pourparlers entamés à Paris entre le Gouvernement de la République et certains groupes financiers pour la constitution d'une Société destinée à remplacer la Compagnie Impériale des Chemins de Fer Éthiopiens, j'ajouterai, à titre confidentiel, que ces pourparlers semblent sur le point d'aboutir. Un délai a été imparti à cette Compagnie, actuellement en liquidation, pour consentir, dans des conditions qui lui ont été fixées, à un arrangement amiable avec la future Société en formation. Ce délai doit expirer dans quelques jours, et si les conditions posées ne sont pas acceptées, la Compagnie sera déclarée déchue de ses droits. En tout état de cause les actionnaires, obligataires, et créanciers de la Compagnie en liquidation

subiront un traitement égal, quelle que soit leur nationalité. Enfin la Société, qui est prête à se constituer définitivement dès l'expiration du délai accordé à l'ancienne Compagnie des Chemins de Fer Éthiopiens, est, dès maintenant, entrée en pourparlers avec Ménélik pour la conclusion, sur les bases du projet d'Accord qui vient d'être exposé, d'un Contrat de Concession destiné à remplacer le Contrat de 1894, conclu entre le Négus et M. Ilg et transféré par ce dernier à la Compagnie Impériale des Chemins de Fer Éthiopiens.

Agréé, &c.
(Signé) GEOFFRAY.

[833]

No. 7.

Colonial Office to Foreign Office.—(Received January 9.)

THE Under-Secretary of State for the Colonies presents his compliments to the Under-Secretary of State for Foreign Affairs, and is directed by the Secretary of State to transmit to him, to be laid before Sir E. Grey, a telegram from the Governor of the East Africa Protectorate on the subject of an attack upon the Italian garrison at Lugh.

Downing Street, January 8, 1908.

Inclosure in No. 7.

Governor Hayes-Sadler to the Earl of Elgin.

(Telegraphic.) P.

[Received January 8, 1908.]

HAVE received from Kismayu following telegram :—

"A report has been received from the Italian authorities that the Lugh garrison has been attacked and two officers and large number of men killed. Lugh besieged and held by a small force under a commercial agent; a portion of the Bardera garrison has marched out; grave fears entertained for their safety. Two hundred men under two officers leave Guimbo for Bardera immediately. Strength of attacking force said to be Abyssinians about 1,200."

[897]

No. 8.

Mr. Hohler to Sir Edward Grey.—(Received January 9.)

(No. 2.)

(Telegraphic.) P.

Adis Abeba, January 7, 1908.

MY telegram No. 67: Railway.

I had an interview this morning with the French Minister, who has for some days been absent from Adis Abeba.

According to his statements, on the 24th or 25th December the Company received warning through the liquidator that they were given fifteen days within which they might accept or refuse the offers made to them on behalf of the new Company. He was waiting to hear the result; the term would expire on the 10th January. Their *déchéance* would be declared in the event of their refusing. I inquired how this was, as I had understood that the Company was so far found to be solvent. He explained that it would not be a financial but an administrative *déchéance*, based upon the non-observance by the Company of the terms of the Agreement of 1902 (see Article 16) between it and the French Government. The interests of the shareholders, French and foreign alike, were being fully safeguarded, though in what way he did not know; the liabilities of the old Company would devolve upon the Government. The railway, pending the assumption of the line under the new Concession by the new Company, would continue to be worked in the colony under the supervision of the Governor, and in Abyssinia under the supervision of the French Consul and an Abyssinian Delegate.

He assured me that the new Concession was in his possession, and that he had obtained it on the 14th July, 1907.

Fearing that the interests of the Trust Company might thus be irretrievably lost, I anxiously asked whether he was quite sure that the new Concession had been duly

[1557]

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signed, as it appeared to me that if this were not the case it would be most dangerous for the present Concession to be withdrawn, and he replied that there was no doubt on this point.

To reconcile these statements with those made by the Emperor Menelek with every appearance of good faith and sincerity seems to me utterly impossible, as also to say which party is speaking the truth, though personally I believe the Emperor (refer to Sir F. Bertie's telegram No. 63, to my despatch No. 54, &c.).

That Menelek has never swerved from his refusal to recognize the Agreement of 1902, which he regards as an infringement of his sovereign rights, must not be forgotten. Also I have no knowledge as to whether the new Company is yet in existence.

In any case, it seems certain that M. Klobukowski is not keeping me properly informed of his proceedings.

[971]

No. 9.

The Marquis di San Giuliano to Sir Edward Grey.—(Received January 10.)

(Translation.)

M. le Ministre,

Italian Embassy, London, January 8, 1908.

NEWS has been received from the Government of the Benadir that 2,000 Abyssinians have raided the population and caravans round about Lugh, and have killed a Benadir merchant and about 1,000 Rahawin. That tribe have turned for help to the Chief of the Italian station of Lugh, who immediately made preparations to assist and protect them. In an encounter which followed, two Italian officers are said to have been killed.

I have the honour to address myself to your Excellency, in accordance with instructions which I have received, and to request you, in conformity with the terms of the Agreement of the 13th December, 1906, to be good enough to send instructions as soon as possible to His Britannic Majesty's Legation at Adis Abeba to give their powerful support to the Italian Chargé d'Affaires in that capital in the negotiations upon which he must enter with the Negus, with a view to remedying the state of affairs which have resulted from the facts mentioned above, and to prevent a renewal of them.

I shall be grateful to your Excellency for any communication which you may be good enough to make to me on this subject, and I avail, &c.

(Signed) A. DI SAN GIULIANO.

[970]

No. 10.

Mr. Hohler to Sir Edward Grey.—(Received January 10.)

(No. 3.)

(Telegraphic.) P.

Adis Abeba, January 8, 1908.

WITH reference to my immediately preceding telegram, the Emperor Menelek disavowed all intention of withdrawing the old Company's Concession, and absolutely denied having granted any new Concession whatever.

[971]

No. 11.

Sir Edward Grey to Mr. Hohler.

(No. 1.)

(Telegraphic.) P.

Foreign Office, January 10, 1908.

ABYSSINIAN raid on Lugh.

The Italian Ambassador has informed us that some Abyssinians have raided the country round Lugh, and that some Italians and many natives have been killed by them.

Representations are being made by the Italian Chargé d'Affaires with a view to putting an end to this state of affairs, and of preventing its recurrence. You should cordially support Count Colli.

[1025]

No. 12.

Mr. Hohler to Sir Edward Grey.—(Received January 11, 1908.)

(No. 82.)

Sir,

Adis Abeba, December 10, 1907.

I HAVE the honour to report that M. Klobukowski having recently informed me that the three Governments had agreed to accept Consular jurisdiction, I inquired whether he consequently was recommencing his negotiations for the revision of the French Commercial Treaty. His Excellency replied in the affirmative, and I accordingly visited him this morning, when he was good enough to read me the draft of the new Treaty.

It is practically identical with the other existing Treaties, with two exceptions: it provides for a customs duty of 10 per cent., while the old unpublished French Treaty provided for 8 per cent. only; but this clause has never been operative.

The 10 per cent. is to be levied on the value at the point of entry into Abyssinia, i.e., the cost price of the goods, plus freight, insurance, and packing, but as the Customs officials in this country are not yet sufficiently versed in their duties to calculate this value, the present method of taxing at 10 per cent. on cost price will remain in force until the Customs staff is duly efficient. Also wines will be subject only to an 8 per cent. customs. This M. Klobukowski had obtained on account of the recent crisis in the wine trade in France.

The second exception is the clause providing for Consular jurisdiction, which is on the usual lines; cases between French subjects to be heard by a French Judge; cases brought by French citizens against Abyssinians to be heard by an Abyssinian Judge; cases brought by Abyssinians against French to be heard in the French Court. In the two latter instances, the plaintiff may have the assistance of a compatriot to watch his interests.

When Abyssinia has a code similar to those obtaining in European countries, this jurisdiction may be abolished by mutual consent.

His Excellency was very sanguine that this clause would be accepted by the Emperor Menelek. He may be right, but from all I can hear it is very improbable. I promised to help him in any way I could, and we agreed that for the present the best way to do so would be to keep absolutely silent on the matter.

Subsequently, I inquired about the railway, and whether the financial resources for the further construction of the line were the same as he had previously stated them to be, namely, a *prélèvement* on railway-borne goods. To this he replied in the affirmative. He added that he was now making really good progress with these negotiations, or rather that Dr. Vitalien was, who was being appointed the representative of the new Company which is to take over the assets of the old, as well as rights of further construction. He said that the interests of both foreigners and French in the old Company were being preserved as far as possible. He hopes to be able to leave Adis Abeba at the end of the month, but he has been instructed to remain here until ordered to leave, and then he is to return not to Cairo, but to Paris.

I have, &c.

(Signed) T. B. HOHLER.

[1026]

No. 13.

Mr. Hohler to Sir Edward Grey.—(Received January 11, 1908.)

(No. 83. Confidential.)

Sir,

Adis Abeba, December 10, 1907.

WITH reference to my immediately preceding despatch, I have the honour to report that M. Klobukowski's attitude during the two conversations therein related was entirely changed from what it had been previously.

He said that the charges brought against him by myself and the Italian Chargé d'Affaires had been very heavy, but his Government has quite approved his conduct and his interpretation of the Agreement, and he read me a telegram to this effect.

But, at the same time, he endeavoured to prove how he had always acted strictly in accordance with the Agreement, and instanced the manner in which he had communicated to me his efforts for Consular jurisdiction. You will remember that I

had the honour to inform you at the time that he said he did so not because he was bound to do so, but as a friendly act.

He complained very much of the violence of the complaints against him by Count Colli, especially as respecting the formation of the new Ministry, which, he said, had come quite as a surprise to him. He admitted, however, that he had been consulted as to the matter before it was actually carried out, and this being so, I think he ought to have informed his colleagues of the fact at once. The very vehemence of his complaint of Count Colli's attack seemed to me to show that the latter must have had a fairly good foundation.

Despite the fact that the French Government have telegraphed their approval of his conduct, he showed so much eagerness to be communicative as to give rise to the thought that they had sent him a second message directing him to be so.

He informed me of his comments on Sir John Harrington's scheme for the defence of the Legations, which he had sent home a month or so ago. He considers any measures for defence are hopeless, and would only be calculated to rouse the suspicions and enmity of the population, but he thinks it would be desirable that the head of each Legation should have command over a certain sum of money wherewith to secure the services of some important chief should a crisis arise.

With regard to the railway, although his Excellency stated that the financial bases were still the same as those he had described before, I must be permitted to have my doubts. It appears to me very uncertain that a sufficient source of revenue could be derived from a "prélèvement" on the goods carried by the railway. And, further, when he stated that Docteur Vitalien was being appointed agent of the new Company, and as such was treating with the Emperor on its behalf, I suspect an inaccuracy, inasmuch as Sir Francis Bertie's telegram of the 16th November states definitely that the new Company has not yet been formed, and this is confirmed by the latest news received by the agent of the Trust Company. This gentleman is also very despondent as to the interests which he represents receiving that protection which, M. Klobukowski says, is being given to all interests involved.

I am inclined to believe that the real facts are somewhat as follows:-- M. Klobukowski is assuming the existence of the new Company in order to get a concession out of the Emperor. When he has got the concession it will then be necessary to find a group which will be ready to accept its terms, which will certainly include the elimination of the old Company and the transfer from it of all rights previously granted for the extension of the line. This group will almost certainly need Government support, and will in fact be completely under the control of the Government.

On the other hand, the Emperor perceives this and does not want it, but is anxious to humour M. Klobukowski, who has represented both himself and his mission as being objects of the highest importance. There is no precedent for His Majesty granting a workable concession, and no reason why he should make one now.

Consequently, I believe that M. Klobukowski will remain on for a month or two buoyed up with false hopes, and will then depart in disgust, having achieved nothing.

I know that several of the most important Abyssinian chiefs are entirely opposed to a French Government railway, and they have not yet been taken into consultation, so that their opposition has all still to be reckoned with.

I have, &c.
(Signed) T. B. HOHLER.

[1027]

No. 14.

Mr. Hohler to Sir Edward Grey.—(Received January 11, 1908.)

(No. 84.)
Sir,

IN his despatch No. 8 of the 20th May last, Mr. Clerk forwarded to you a very full account prepared by Mr. Zaphiro of the commerce in the frontier district between British East Africa and Abyssinia.

I have the honour now to transmit to you a further despatch from the same gentleman bringing his previous information up to date, while experience has enabled him to correct some of his earlier statements.

According to the Tables attached to Mr. Zaphiro's Report, if the figures are anywhere approaching the truth, it appears that, even under present circumstances, the trade is well worth capturing. The first three items of cotton cloth alone, even supposing that only half the quantity alleged is imported, make up a total value of close on a 1,000,000 rupees per annum, reckoning at Kismayu prices.

In his earlier Reports, Mr. Zaphiro remarked that the merchant would prefer the road to the frontier (taking Churre Moyeli as the centre and chief point of the frontier, as stated in my despatch No. 76 of the 19th November) via Wojjeira, i.e., from Kismayu, if they could get protection from the Abyssinians and their exactions. There are no Abyssinians there now, and yet the road is not used. It appears that British Regulations prove more burdensome to them than Abyssinian raids, for under them some of their principal articles of export are systematically confiscated, namely, their ivory, rhinoceros horns, and ostrich feathers.

Further, I would call your attention to the fact that Kismayu is now closed to all Somalis, or that at least a tax of 50 per cent. is levied on every sale made to a Somali. This blockade was imposed as a punishment for a murder committed in May of last year, and no doubt is having a very salutary effect. It will, however, doubtlessly be raised as soon as the scheme for the administration of the frontier district is put into force. Meanwhile it will be noticed that it inflicts considerable hardship on innocent parties.

A merchant takes usually from two to three months to travel from Churre Moyeli to Lugh and back, the number of marches each way being twenty-three. To Borana and back he takes about six months. To Kismayu it is twenty-five marches, and the man goes there and back in about four months. To Nairobi it is thirty marches for a camel, but a mule can do the journey in seventeen days.

As far as Marsabit by the road going by the Huri Hills, there is water every two days, but, by going direct across the waterless Gallgallo Plain, which presents no obstacle whatever to camels, Marsabit could be reached in five days, i.e., two days more quickly. I understand there is a fine corps of trotting camels at Kismayu, and I would venture to suggest that ten or twelve of these might profitably be employed to establish a courier service between Nairobi and the frontier; they should be able to accomplish the journey in fifteen days, i.e., as quick as to Adis Abeba from the frontier, and they would help materially to increase our knowledge of the localities passed through and of the best roads.

Again, still taking Churre Moyeli as the centre of the line, it is approximately thirty-five days' march up to Adis Abeba for a caravan, and twenty to twenty-five days thence to Dire Dawa, the present terminus of the railway. But on this journey the merchant no longer has the advantage of the cheap and convenient camel transport (on the frontier he can buy a camel for 3 tobes of Mardouf and 3 tobes of Amerikani, say 10 dollars), but must use mules. The charge per loaded mule from Dire Dawa to Adis Abeba is from 15 to 20 dollars at current rates, and at least 25 dollars on to Churre Moyeli. These prices of course vary according to the rapidity of the journey and the weight of the loads, but I am taking an average price, load, and time.

It is then apparent that even when the terminus of the Jibuti Railway is at Adis Abeba, Kismayu and Nairobi ought still to be in a position to compete advantageously with that town for the frontier trade.

I have taken Churre Moyeli for convenience as being the centre of the frontier line and the place where the present roads converge. But it is evident that in the future, as the country and its communications become developed, the regions, both British and Abyssinian, to the west of Churre Moyeli will find their outlet through Nairobi; the districts on the east will send their produce to Kismayu.

There is another factor which should powerfully help towards the prosperity of these two towns. There is a river called the Kerio, which flows due north into Lake Rudolph. I am totally unaware whether this river is at all navigable, but its head waters are not far, according to the maps, from the Uganda Railway. By means of Lake Rudolph and the Omo River, it is possible for steam-boats to penetrate into Abyssinia, at least as far as the Cullo country (see Bottego's map, second expedition, 1895-97), thus tapping some of the richest country in Abyssinia. Caffa and Cullo produce rubber, wax, gold, coffee, gum arabic, civet, and other valuable articles.

Again, I learn that the Juba River is navigable from Kismayu to within a few miles of Bardera; here its course is broken by cataracts, after which it is navigable as far as the cataracts near Lugh. Above this there are at least 80 miles of navigable water.

[1557]

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This water communication should in the future be of the greatest value for the commerce of the Ogaden and the Gahrri country, as well as Arusiland and other parts of South-east Abyssinia.

Lastly, it is rumoured that the British East Africa Government are contemplating the construction of a branch line in the direction of Mount Kenya. From there it is no great distance to the frontier, and it appears there are practically no natural difficulties to be overcome. Mr. Zaphiro informs me that by crossing the frontier to Magado, and proceeding thence by Gatello, the escarpment is avoided, and the high plateau is reached by perfectly easy and gentle gradients. Thence the line might be carried round the west foot of the hills on which Burgi is situated, up the east shore of Lake Margarita to the Cassi River, and so to Lake Zwai and Adis Abeba, thus passing exclusively over gently rising plains, and meeting no obstacle whatever to easy construction beyond occasional small streams.

The medium of exchange on the frontier is cloth.

The kinds of cloth chiefly used are known as Mardouf, Amerikani, and Abu Jedid. A piece or takka of the two former contains 40 yards, which are divided into 5 tobes (amount necessary for a suit of clothing) of 8 yards each. A takka of Abu Jedid, which is broader, is only 30 yards in length, and is divided into 4 tobes.

At Kismayu a takka of Mardouf costs 10 or 12 rupees, according to quality; Amerikani, 7 rupees; and Abu Jedid, 8 rupees.

At Lugh, after bearing the cost of the toilsome journey from Barawa, the same cloths cost respectively 10 dollars, 6½ dollars, and 7 dollars.

This is the price at which merchants estimate the cloth on the frontier, a tobe of Mardouf being valued at 2 dollars, and a tobe of Amerikani at 1½ dollars.

The products exported in return for the immense imports of cloth at present are:—

Common salt. The salt mines are in Abyssinian territory. Very great quantities cross the frontier. The Abyssinian method of collecting duty on it is very cumbersome and onerous, and I am endeavouring to get it altered, when the export will probably increase.

Magado salt, which is used: (1) as soap; (2) to mix with tobacco; (3) as a medicine for camels.

Diglo salt, believed to be sulphate of magnesium. It is similar to Epsom salts. The mines are in Abyssinian territory.

Mules and horses; but at present in very small numbers. A mule can be bought on the frontier for about 40 dollars. If it is successfully brought to Nairobi it will find a ready sale at 300 rupees and upwards.

Cattle, goats, camels, skins and hides, ivory, rhinoceros horns, and ostrich feathers.

Melmel, a perfume gum; and bours, a perfumed wood. There are immense forests of trees which produce the former in British territory.

The camels are sold to the Ogadens, who do make use of money.

Cattle are taken up into Abyssinia and bartered there for Konso cloth (worth 1 to 1½ dollars per tobe, according to size), coffee, bours, beads, and iron (the latter coming from Adis Abeba).

They are not in great demand at Kismayu, the Ogaden tribes being rich in flocks and herds. On the frontier a 3-year-old heifer costs 3 tobes of Mardouf and 2 of Amerikani, i.e., roughly, 8½ dollars; at Kismayu it is worth about 30 rupees, and at Nairobi about 60 rupees.

They rarely, however, reach Nairobi. When they get to the Samburu country their owners then exchange them for goats, getting about thirty goats for a heifer. The goats fetch 4 rupees each at Nairobi.

The trade in hides is capable of great development; at present they are mostly used locally for making into bags, or as rugs. A good hide is at present worth on the spot 3 dollars. The skins of their sheep are mostly adapted into garments by the women. The number of goats is infinite, and hundreds of thousands of their skins could be exported.

There is at present an interdiction on the export of hides from the frontier to Kismayu, owing to the cattle plague. Mr. Zaphiro informs me that for eighteen years past there had been no cattle plague in the Borana and neighbouring countries until last year. The people, who are peculiarly attached to their animals, took energetic measures to stamp it out, and succeeded. Now there is none.

The usual proceeding of the merchants in the past has been for them to exchange their cloth for cattle, which are then bartered for ivory.

Mr. Zaphiro maintains that the present prohibition on the trade in ivory, ostrich feathers, and rhinoceros horns is neither expedient nor efficacious. It simply tends to drive the traders into Italian territory, to Lugh and elsewhere.

A very large amount of these goods is brought from Abyssinian territory, whose inhabitants are anxious to export in this way rather than via Adis Abeba, first as the journey is much shorter, and, secondly, because they thus escape at least the greater part of the usual extortion at the hands of the Abyssinian officials. At present considerable quantities are brought to Lugh by the officers of Dejaz Lul Segid, who is Governor of Arusiland.

With regard to the ivory, which is by far the more important of the three articles in question, Mr. Zaphiro suggests that the killing of elephants should be as strictly prevented as possible except under Government supervision, but that the sale of ivory should be freely permitted for a period of, say, two years. At the end of this time it would be possible to arrive at a true decision as to the best course to be pursued.

I have, &c.

(Signed) T. B. HOHLER.

Inclosure 1 in No. 14.

Mr. Zaphiro to Mr. Hohler.

Sir,

Adis Abeba, December 5, 1907.

I HAVE the honour to bring to your notice the following facts, based upon an experience of two years on the frontier, about the commercial movement between Kismayu, Lugh, and the Boran.

When I first visited the Boran country on the 25th December, 1905, I found in nearly every Boran hut traders from Lugh, Bardera, Benadir, &c., but none from Kismayu. These traders had quantities of Mardouf and American cloth imported from the Italian sea-coast east of Ganalle River, with which they bought cattle, ivory, ostrich feathers, rhinoceros horn and sometimes, when possible, slaves from Konso and Amaro; the latter very seldom, as the Emperor Menelek has forbidden the Slave Trade in the country.

Owing to the Boran country being very far from the control of the Emperor, the officials there arrogate to themselves the position of Satraps or Kings; although it is part of the Abyssinian governmental system to set men to spy on one another, this does not prevent the sub-officials from being very cruel to the Mahommedans and traders (the Abyssinians apparently knew that some day the Mohammedans south of the red line would be protected by the British Government), so that on a trader arriving from Lugh, news was sent to the Abyssinian post at Arero, and some Abyssinian tax-gatherers were immediately sent on horse-back to the Safaris. The usual tax is supposed to be 5 tobes on every 100 tobes, but it often happened that the Abyssinians left only 5 tobes out of every 100 tobes for the traders, and if any of them made any objection he received a good whipping for his boldness. Many of those traders preserve the marks of this treatment on their bodies. I myself saw seven of them thus marked.

The traders, having frequently been treated with cruelty and injustice, tried as far as possible to avoid any Abyssinian tax-gatherers, and went to the Borana, who sympathized with them, and tried to protect them from the Abyssinians, but when they were found out, not only were the trader's goods taken, but also those of the Borana. A trader named Cheik Mohamed reported to me that an Abyssinian once took all his goods, worth over 2,000 dollars, and after whipping him, put a rope round his neck, and obliged him to run (the Abyssinian on horseback and Mohamed on foot) thus tied, from Tumuk to G. Tulla, a distance of over 20 miles.

When I heard all the above complaints I was obliged to inform the Abyssinian authorities of Boran that I would not permit any traders who were Mahommedans coming from Kismayu, and consequently under the protection of the British Government, to be looted by Abyssinians, unless the said traders should be found guilty of disobeying the laws of the country; at the same time I called a meeting of all the traders from the north and south, and made them understand that if they wanted me to protect them, they must first of all pay their customs duties, 5 per cent., not buy any ivory or slaves, and obey the Abyssinian laws. If the Abyssinians then

tried to loot them, they had only to report the matter to me, and I would do my best for them.

The first case was that of a trader who was supposed to have bought some ivory three years before, and had just returned from Lugh; the Abyssinians knew this man and wanted to confiscate all his goods. I interfered but was unable to do much. Eventually, however, I sent for the principal Chief of the traders, Ato Abaye, to come and see me; I made him clearly understand that if he and his soldiers would not keep their hands off the traders, I would take ten of them to Adis Abeba, and let the Emperor know how they had been treated by him. This had the desired effect and he released the goods and the trader. I had already ten traders with me who had been treated very badly, in case he refused to hear reason. From that day the condition of the traders in Boran changed completely, and the Emperor's custom-house there was filled with traders anxious to pay their taxes and trade freely.

Here I must mention that Ato Abaye kept his word, and I never afterwards heard any complaints from the traders, except that they had to wait too long for the tax-gatherers to come and collect their customs dues.

About that time I sent to Sir John L. Harrington a Commercial Report on the approximate imports and exports of the Boran country, as reported to me by local traders.

Being very anxious to ascertain the annual importation into Lugh, I sent a Somali to stay there and try to find out the quantity of ivory and other articles which were imported. After four months he returned with a report on the approximate importation and exportation for one year. (See Table A.)

When I received this Report my next step was to try as far as possible to transfer all these exports to Kismayu, but I met with considerable difficulties. I wrote to the officer at Kismayu reporting to him the immense quantity of ivory going to Lugh, asking him if possible to co-operate with me at Bardera, while my people could watch Lugh, and after six months I received a reply to the effect that he could do nothing until he had orders from the Commissioner in Nairobi; thus being unable to stop the importation into Bardera I called a meeting of all the different traders, and encouraged them to go to Kismayu, where I was sure the market must be cheaper than that of Lugh, owing to the transport expenses from Brawa to Lugh.

The traders were willing to go Kismayu, but three principal causes prevented their doing so:—

1. At Kismayu their cow ivory under 30 lbs., ostrich feathers and rhinoceros horns were confiscated, while at Lugh they could sell those articles at a good price.
2. The Ogaden Mohamed Zuber and the Aulihans imposed a sort of taxation upon them, and if they refused to give it all their goods were taken, &c.
3. In the market of Kismayu the kind of Mardouf which was sold at Benader was not obtainable, and the Kismayu Mardouf was not liked by the Borana.

I sent a Report to the officer at Kismayu about the Ogadens taking taxes from the traders, and encouraged the latter to make a trial of going to Kismayu, and if the Ogadens continue to impose taxes as before, they were to report the matter to me or to the officer at Kismayu. At the same time, I sent a verbal message to Ahmed Margan, informing him that if he continued to send word that the road was not open either to traders or white men, I would take some Abyssinians and open it; and on the return of some traders I had news from Ahmed Margan to the effect that he had so acted because he had been fighting with the Aulihans, but that now, the fighting being over, the traders could go to Kismayu.

The Sakuye, Borana, and Mahomedan traders, seeing that the road was open, sent a considerable quantity of livestock and ivory to Kismayu, and all of them on their return were very pleased and ready to go down again with an enormous quantity of animals and ivory, when the news came that Kismayu was closed against all Somalis, and if traders from Boran were caught in the act of selling cloth to the Somalis they had to pay 8 annas for each rupee's worth sold.

These Regulations appear to me very hard in a country newly open, for how can a Boran trader refuse to sell cloth to an Ogaden when he knows that after leaving Kismayu he will have to travel in the Ogaden country for a month, running the risk of being killed? He wishes to respect the Regulations of the Government, but he cannot help disobeying them for his own safety's sake, which must be his principal consideration. Some of the traders caught selling cloth to the Ogadens were put in prison and all their good confiscated; one of them came to me asking if I would give him a cow to provide him with milk to drink, as, all his goods having been taken in Kismayu, he had

nothing left in the world. All this upset the confidence of the local traders and natives, and they again commenced to send their goods to Lugh and Bardera; being unable to do anything for them, I left them alone to do what they liked.

This action on my part to encourage the traders to go to Kismayu had during the last year nearly stopped all the importation and exportation of Lugh, as may be seen by the accompanying Report which I received at the end of August 1907 (Table (B)).

The change in the exports and imports at Lugh (as shown by Tables (A) and (B)) is due to the following causes:—

1. I confiscated during the year over 3,000 lbs. of male and cow ivory, and rhinoceros horns and a few ostrich feathers.
2. The traders who used to go to Lugh went to Kismayu.
3. Throughout the whole year the natives east of Ganalle were fighting amongst themselves and did not allow any trader to pass. It was reported to me that they attacked the cloth caravan destined for Lugh, and Bardera had no cloth for four months.

Taking into consideration the various interests involved, my opinion is that the British East African Government should decide to send the necessary forces as soon as possible, and occupy the country evacuated by the Abyssinians (1) at Dolo, on the junction of Dawa with the Ganalle; (2) at Churre Moyeli in Golbo; (3) at Lake Rudolph.

Each of these posts should have 100 soldiers and one or two officers as inspectors. For the present they will suffice to prevent the Abyssinians from passing the frontier control the tribes, increase the commercial movement of Kismayu and Nairobi, and control the shooting of elephants.

The expenses of these three posts will be reimbursed to the Government—

1. By the imposition of a tax on all tribes willing to pay taxes for the sale of being protected from the Abyssinians;
2. By the value of the ivory confiscated from the south of the line; and
3. By the installation of custom-houses on each of these posts for the collection of duties on import and exports via Abyssinia and the Italian frontier.

I have, &c.

Inclosure 2 in No. 14.

Statement of Imports and Exports of Ivory and other Articles between British East Africa and Abyssinia.

(A.)—TRADE OF LUGH, 1905-6.

Imports.

- 1,500 tusks (or over) of male, cow, and young elephants' ivory imported from Arusi, Liban, Gahrri, and from the east of Ganalle at Webe River, when any amount of hunters from the Italian and British side go there and kill elephants with poisoned arrows in Abyssinian territory.
- 1,000 (or over) rhinoceros horns from Arusi, Liban, Boran, Dawa River, and Gahrri.
- 200,000 goat skins imported from Arusi, Liban, and Gahrri.
- 600 cattle and oxen from Gahrri and Boran.
- 2,000 sheep and goats from the east of Ganalle and Gahrri, and some from the north of the Dawa River.
- 500 (or more) camels, male and female.
- 2,500 (or more) frasulas of coffee from Arusi and Boran.*
- A few mules and horses.
- 150 (or more) donkeys from Gahrri.
- 1,000 frasulas perfumed wood (Burs from Konso and Boran).
- 2,000 frasulas Melmel, a gum collected from the trees in the Salluye country.
- 1,000 frasulas of salt Diglo from Boran.
- 5,000 frasulas of salt Mugad from Mugad B.
- A few oxen hides.
- 600 camel loads durrha from the Rahwain.
- 200 frasulas ghee from the west of Ganalle.

* 1 frasula = 37½ lbs.

Exports (approximate).

100,000 pieces Amerikani (cloth.)
 50,000 pieces Mardouf (cloth.)
 25,000 pieces Abu Jedid (cloth.)
 600 packets assorted beads.
 5,000 packets tobacco Zinzibari.
 2,000 pieces Okoko black shash* with which the Mahomedan women cover their heads.
 200 frasulas Korbo allassoka (copper.)
 200 frasulas Rissas (lead.)

*(B.)—TRADE OF LUGH, 1907 (APPROXIMATE).**Imports.*

200 tusks ivory from Arusi and Webe River (few from Boran.)
 200 rhinoceros horns.
 10 lbs. of ostrich feathers.
 50,000 goat skins from Arusi and Boran and N. of Dawa.
 150 camels.
 800 frasulas coffee from Arusi and Boran.
 6 mules (no horses.)
 50 donkeys.
 100 frasulas perfumed wood.
 200 frasulas salt Mugad and Diglo.
 200 frasulas of ghee.
 A very few loads of dhurra owing to the disturbances between the Rahwoin and Rear Afkab.

Exports.

20,000 pieces of Mardouf and Amerikani.
 200 packets of beads.
 1,500 packets of tobacco Zinzibari.
 200 okoko.
 50 frasulas of copper.
 50 frasulas of lead.

[864]

No. 15.

Foreign Office to Mr. Hohler.

(No. 2.)

(Telegraphic.) P.

ETHIOPIAN Railway.

Your telegram No. 3 of the 10th instant.

I was informed by the French Government on the 8th instant that it is confidently expected that the Agreement with the Emperor Menelek now being negotiated by the French Minister will be concluded immediately. It will give the new French Syndicate the right to complete and work the railway from Jibuti to Adis Abeba. A provision will be made to the effect that goods of whatever nationality shall be exempt from internal dues when carried by the railway. Instead of these dues, they will pay a surtax of 6 per cent. on entering or leaving Abyssinia. Of this the Negus will receive 2 per cent. and the Company 4 per cent.

It is further stated in this communication that the Emperor Menelek has expressed his intention of subscribing to the capital of the new Syndicate, and that in return the repayment of His Majesty's claim on the old Company will be guaranteed by the French Government.

* Muslin.

The old Company will be wound up compulsorily unless they accept terms offered them within a brief delay. Meanwhile negotiations are still proceeding with them. Whatever the nationality of the bondholders and creditors of the Company may be, they will in any case receive equal treatment.

Negotiations for a Concession to replace the contract of 1894 have already been entered into with the Emperor Menelek by the new group.

No. 16.

[1238]

Sir N. O'Connor to Sir Edward Grey.—(Received January 13.)

(No. 7.)

Sir,

Pera, January 7, 1908.

WITH reference to my despatch No. 793 of the 24th ultimo respecting the endeavours of the Abyssinian Mission to reopen the question of the rights of the Abyssinians in the Deir-es-Sultan at Jerusalem, I now have the honour to report that, mainly owing to the objections of the Minister of the Interior, the Sultan showed a certain hesitation in confirming the decision of the majority of his Ministers rejecting the Abyssinians' demands. I took occasion to point out unofficially at the Palace that any interference with the vested rights of the Copts, or alteration of the *status quo* of last year was most undesirable. The Sultan has now issued his *Irade* approving of the negative recommendations of the Council of Ministers, and on the 2nd January a written reply was sent by the Porte to General Mashashia, expressing its inability to entertain any of the points raised in the Memorial of the Abyssinian Mission.

I have, &c.

(Signed) N. R. O'CONOR.

No. 17.

[42456/07]

Sir Edward Grey to the Marquis di San Giuliano.

Your Excellency,

Foreign Office, January 13, 1908.

I HAVE the honour to acknowledge the receipt of your Excellency's note of the 26th December, 1907, relative to the Commercial Treaty which would appear to have been concluded between France and Abyssinia.

With regard to the question of the Customs Tariff for French wine and beer, as to which your Excellency inquires what would be the *modus procedendi* of His Majesty's Government, I have the honour to inform you that if, and when, it is ascertained that French importers of wine and beer are privileged to pay an *ad valorem* duty of 8 per cent., while British importers of the same commodities are required to pay 10 per cent., His Majesty's Representative at Adis Abeba will be instructed to draw the attention of the Emperor Menelek to Article IV of the Anglo-Ethiopian Treaty of the 14th May, 1897, and to request His Majesty, in virtue of that Article, to cause an 8 per cent. tariff to be applied to wines and beer brought into Abyssinia by British subjects.

As regards the question of jurisdiction over Europeans, I have instructed Sir J. Harrington to report to me on the situation of French subjects under the new Franco-Abyssinian Commercial Treaty, and I have requested him to furnish me with his views on this matter generally, and especially whether he does not consider it possible that some scheme could be devised which would avoid the disadvantages of the plan to which, according to Count Colli's report, M. Klobukowski has agreed, and which would yet be acceptable to the Emperor Menelek. I shall not fail to inform your Excellency of the nature of Sir J. Harrington's reply as soon as I receive it.

In your Excellency's note under reply you also propose a conversation between the French Ambassador, your Excellency, and myself on the various Abyssinian questions. I am of opinion that, before deciding to hold such a meeting, it would be well to establish clearly the points which are to be discussed thereat, and I should therefore be grateful if your Excellency would be good enough to indicate to me these points, and the views held upon them by the Italian Government.

I have, &c.

(Signed) E. GREY.

[170]

No. 18.

Sir Edward Grey to Sir F. Bertie.

(No. 5. Africa.)

Sir,

Foreign Office, January 13, 1908.

I HAVE received your Excellency's despatch No. 606 of the 25th December last relative to the negotiations connected with the Abyssinian Railway.

As your Excellency is aware, the Ethiopian Railway Trust and Construction Company, a British Company, have made frequent representations to the effect that their interests in this matter are being overridden and unjustly sacrificed by the French Government, and after careful study of the question I am of opinion that their claim to meet with favourable consideration at the hands of the Government of the Republic is justified.

I accordingly inclose herewith a short Memorandum on the subject,* which I request that your Excellency will on the first opportunity communicate to the Minister for Foreign Affairs, at the same time assuring M. Pichon that His Majesty's Government do not wish to add to the difficulties of the French Government in this question, but, in the words of M. Louis, as reported in your despatch above mentioned, are merely seeking to avoid disagreement arising on a matter where there is really no cause for it.

Your Excellency should point out, unofficially, if you consider that it would have a good effect, that if the Railway Company is forced into liquidation without any consideration being given to the claims of the Trust Company, the Directors of the latter Company will be forced to justify themselves publicly to their shareholders, and it will have a most unfortunate effect on public opinion here if they are able to show that they have been harshly or inequitably treated, even if they have strictly no legal claims under French commercial law.

I am, &c.

(Signed) E. GREY.

[42456/07]

No. 19.

Sir Edward Grey to Sir J. Harrington.

(No. 4.)

Sir,

Foreign Office, January 13, 1908.

I TRANSMIT to you herewith copy of a note from the Italian Ambassador at this Court,† relative to the new Franco-Abyssinian Treaty of Commerce, together with a copy of the reply which I have sent to the Marquis di San Giuliano.‡

I should wish to have your observations both as to the accuracy of Count Colli's Report and as to the general results of the Treaty, with especial regard to the question of jurisdiction, as to which point I have to request that you will report whether you consider it possible that some scheme could be devised which would avoid the disadvantages of the system apparently agreed to by the French and yet be acceptable to the Emperor Menelek. You should also, if you think fit, ascertain the views of your colleagues on this matter.

I am, &c.

(Signed) E. GREY.

[1488]

No. 20.

Mr. Hohler to Sir Edward Grey.—(Received January 14.)

(No. 4.)

(Telegraphic.) P.

Adis Abeba, January 12, 1908.

THE Italian Chargé d'Affaires informs me that, with reference to the encounter between Abyssinians and Italians which took place last month near Lugh, communicated by his Government to His Majesty's Government, the Emperor Menelek yesterday expressed to him his great regret, promising to take immediate action, punishing offenders, and making all possible reparation otherwise.

* No. 1

† Italian Ambassador, December 26, 1907

‡ No. 17.

[1491]

No. 21.

Mr. Hohler to Sir Edward Grey.—(Received January 15, 1908.)

(No. 86.)

Sir,

Adis Abeba, December 18, 1907.

I HAVE the honour to acknowledge the receipt of your despatch No. 87 of the 21st ultimo, inclosing a telegram from His Majesty's Ambassador at Paris, giving an account of a conversation he had had with the French Foreign Minister regarding the Ethiopian Railway and matters at Adis Abeba.

I have the honour to repeat that since the middle of November the French Minister here has definitely maintained to me that the new Company (formed for taking over the assets of the old Railway Company and for constructing the remainder of the line) does actually exist. On one occasion I observed that M. Pichon had told Sir Francis Bertie that it had not yet been formed, to which M. Klobukowski replied that it had been formed *de facto*, though it could not be regarded as legally existing until the liquidation of the old Company was completed. He has also definitely informed me that Dr. Vitalien is treating with the Emperor Menelek on behalf of of this new Company.

I notice that M. Klobukowski reports that I constantly see the Emperor, but I do not communicate to his Excellency the subject of my interviews.

One of the greatest of inconveniences in the transaction of business in this capital is the rarity of the occasions on which it is possible to obtain an audience. At one time six weeks elapsed without my being able to see His Majesty. It must not be forgotten that it is only with him that business can be done, and also that, in addition to the interests of merchants in whose hands is about 90 per cent. of the commerce of this country, and to those of the largest foreign Colony, this Legation also has to attend to the complaints of the Hellenic Colony and the questions that arise along a frontier of about 2,000 miles.

I have more than once expressed my willingness to relate in full to the French Minister my conversations with the Emperor, and especially offered to explain to him the negotiations concerning the southern frontier, but his Excellency disclaimed, I think very reasonably, all interest in these matters. I have never failed to inform him of any step I have taken which in the slightest degree involved our common interests, such as my endeavours to induce Menelek to nominate a successor. I could not, however, repeat to him what had passed about the Abyssinian Bank, as I have never mentioned the subject in any form to His Majesty, Lord Cromer having instructed me before I left Cairo that the bank was an international and purely business concern, and that I should not interfere in its affairs.

I am entirely ready to plead guilty to the charge of inexperience and a certain amount of youth, but I have the honour to state that I have never yet seen the Empress Taitou (with whom M. Klobukowski has had several audiences, making her rich presents), nor have I had any communication whatsoever with her entourage. By a strange coincidence, however, on the morning of the day on which I received your despatch under reply, I had an interview with the Emperor at which I expressed my thanks for the luncheon to which Her Majesty had invited myself in common with other foreign Representatives, and asked if I might have the gratification of being presented to her, as was done at other Courts, adding that I had not solicited this honour before as I had understood Her Majesty was leading a life devoted to retirement and religion.

I almost venture to think that there are more sufficient grounds for the suspicion that M. Klobukowski was seeking to profit by the youth and inexperience of myself and the Italian Chargé d'Affaires, rather than that those defects in us gave birth to our suspicions.

I have, &c.

(Signed) T. B. HOHLER.

[1493]

No. 22.

Mr. Hohler to Sir Edward Grey.—(Received January 15, 1908.)

(No. 88.)

Sir,

Adis Abeba, December 19, 1907.

WITH reference to my despatch No. 82 of the 10th instant, I have the honour to report that the French Minister recently came to see me to inform me of certain

[1557]

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modifications introduced by the Emperor Menelek, and accepted by himself, in his scheme for Consular jurisdiction.

All mixed cases are to be heard by an Abyssinian Judge sitting with the Consular Judge. If they differ, an appeal will be made to the Emperor. The guilty will be subject to the punishment for his offence which is prescribed by the law of his own country.

This is simply tantamount to a legal recognition of the system actually in practice, and does not eliminate its present complications. Its legalization may tend to its more regular administration, but it perhaps tends to threaten the elasticity of the present system, which is, on the whole, serviceable in procuring in most cases substantial justice.

I have, &c.
(Signed) T. B. HOHLER.

[1494]

No. 23.

Mr. Hohler to Sir Edward Grey.—(Received January 15, 1908.)

(No. 89.)
Sir,

Adis Abeba, December 19, 1907.

WITH reference to my telegram No. 55 of the 15th November, I have the honour to report that although I had formally accepted the Emperor Menelek's proposals for the Southern Frontier Treaty, and although His Majesty, now several weeks back, had given orders that it should be written out for signature, I was still unable to obtain the document.

On Sunday last I had an audience with His Majesty, at which I requested that the delay might be terminated, and he thereupon sent for a map, and first expressed a desire that the red line running across Lake Rudolf to the point of the peninsula east of Sanderson Gulf, should be continued to the opposite shore of the lake, i.e., into the Turkana country. I explained that this was quite impossible, and he abandoned it.

He then made a much more resolute demand: that the whole of the mountain known as Naita Corma (north-west of Lake Rudolf) down to its base, should be given to Abyssinia. We argued on this point for about an hour, and I informed him that, though it was quite impossible for me to make any alteration whatever in the terms of the Treaty, I was ready to undertake that when the Commissioners arrived at this mountain they would favourably consider any justifiable pretensions put forward by the Abyssinians, such as actual residence beyond the line geographically described.

I believe there is no danger in this, for I understand that the mountain in question is as little inhabited by the Abyssinians as it is by ourselves.

With this His Majesty was content, and on the following morning I received the two documents under the Imperial seal, and I have the honour to inclose herewith an exact translation of them.

The form in which they are drawn up seems to me very irregular, and I sent to tell the Emperor so, to which he replied that he wished to reserve the Treaty form of the Agreement until the Commissioners have completed their part of the work and accurately laid down the exact line.

Meanwhile, although it seems irregular, I consider that it is perfectly binding on His Majesty, and I am therefore preparing two identical documents in English, as well as the necessary maps, which I shall sign or seal to exactly the same degree as His Majesty, taking care to inform him that, despite its unusual form, His Majesty's Government consider the Agreement as of precisely the same validity as if it had been drawn up in a more customary manner.

I trust that this action will meet with your approval.

I have, &c.
(Signed) T. B. HOHLER.

Inclosure in No. 23.

Southern Frontier Agreement.

(Translation.)

THE frontier between British East Africa, Uganda, and Ethiopia, agreed upon between the two Governments shall be:—

The line which is marked in red on the maps annexed to this Treaty in duplicate, which line, starting from the junction of the River Dawa with the River Ganale, follows the thalweg of the River Dawa to Ursulli, and from that point follows the tribal limits between the Gurré and the Borana to Gebel Kuffolé; from Gebel Kuffolé the line passes through the summits of the following hills: Roka, Churré Moyele, Burrolé El Dimtu, Furroli, Dugga Kakulla, Burchuma, Afur. From there the line goes to the creek at the south end of Lake Stefanie, thence due west to Lake Rudolf, thence north-west across Lake Rudolf to the point of the peninsula east of Sanderson Gulf, thence along the west shore of that peninsula to the mouth, or marshes at the mouth, of the River Kibish (River Sacchi), thence along the thalweg of this river to latitude 5° 25' north; from there due west to a point 35° 15' longitude east of Greenwich, thence the line follows this degree of longitude to its intersection with latitude 5° 40' north, and runs from there to the intersection of the 6° north latitude with the 35° of longitude east of Greenwich.

The tribes occupying either side of the line shall have the right to use the grazing grounds on the other side as in the past, but during their migrations it is understood that they shall be subject to the jurisdiction of the territorial authority. Free access to the nearest wells is equally accorded to the tribes occupying either side of the line.

Both Governments shall send Commissioners, who shall in concert delimit the exact line of the frontier which is above described, and which is marked, pending such delimitation, with a red line upon the accompanying maps.

While they are there they shall settle the frontier of the Borana with the Gurré, in concert with the heads of those tribes and in accordance with their customs.

The above Treaty is written in duplicate, one copy being in the hands of the British Government and the other copy being in the hands of the Ethiopian Government.

Done at Adis Abeba, the 26th day of Hedar, 1900 (6th December, 1907).

(Seal of the Emperor Menelek.)

[1495]

No. 24.

Mr. Hohler to Sir Edward Grey.—(Received January 15, 1908.)

(No. 90.)
Sir,

Adis Abeba, December 21, 1907.

I HAVE the honour to report that I recently received a complaint from the Greek community to the effect that there were a number of Greeks arrived at Dire Dawa desirous of coming to Adis Abeba, but that the British Consular Agent refused to apply to the Abyssinian authorities for their passes, and was thus detaining them.

The community having undertaken to be responsible for these people on their arrival, I telegraphed to Mr. Michailidis directing him to apply for the passes, and I also inquired into all the facts of the matter.

It appears that about two years ago there was a similar influx of Greeks into this country, and in order to check it the Emperor Menelek sent orders to the effect that no passes to come to Adis Abeba should be delivered except on the application of the Consular authorities, and these were instructed, in accordance with His Majesty's request, not to apply for permits for individuals who appeared to be of an undesirable or useless character.

Inasmuch as it is the Greeks themselves who are more interested than any one in preventing the immigration of an undesirable element, I referred the matter to the Council of the community, requesting their opinion.

I have the honour to inclose a copy of the *procès-verbal* of their discussion, and to state that, in accordance with the sense of their recommendations, I have sent

instructions to the Consular officers at Dire Dawa and Harrar to refuse to apply for permits unless they are satisfied that the individuals who desire to have them :

1. Are acquainted with a trade, there being no demand here for unskilled labour; and
2. That they possess the sum of at least 100 dollars beyond the sum necessary for their journey, so that on their arrival in Adis Abeba they will be able to maintain themselves until they find occupation.

I trust that this step will meet with your approval.

I venture to think it would be extremely desirable if the Greek Government could give wide publicity to the fact that at the present moment there is in Abyssinia only scope for a very limited number of skilled artisans, and that there is no demand whatever for unskilled labour.

I have, &c.
(Signed) T. B. HOHLER.

Inclosure in No. 24.

*Procès-verbal of Sitting of Greek Council of Community held in Adis Abeba,
December 14, 1907.*

L'AUDIENCE a commencé en présence du Président et tous les Conseillers, qui ont discutés la question des émigrants, par demande de son Excellence le Chargé d'Affaires de la Grande-Bretagne.

M. C. Caratsanis, Président (Dentiste particulier de Sa Majesté l'Empereur II).—Lors de son court séjour au pays, il a confié son opinion au Conseil Administratif de la communauté.

M. A. Cavadias, Vice-Président (négociant), est d'opinion que tous ceux qui ont un métier, ou qui peuvent disposer de la somme de 200 thalers, ne se trouveront pas dans des circonstances gênées en venant au pays. Quant aux aventuriers, ils doivent être empêchés d'y venir.

M. Orfanides, Conseiller (Entrepreneur), n'a pas voulu s'exprimer.

MM. Pappanicolaou, Malamakis, et Contos, Conseillers (Entrepreneurs), sont d'opinion que toute émigration doit être empêchée à cause de manque de travail.

M. Diamandaras (employé, maison Zervudachi) et M. Cardouillis (négociant), Caissier et Secrétaire, sont d'opinion que tous les aventuriers doit être forcés à déposer la somme de 10l. à l'Agent Consulaire de la Grande-Bretagne à Diré-Dawa.

Le Président de la Communauté,
(Signé) CONST. A. CARACATSANIS.

Adis Ababa, le 19 Décembre, 1907.

[1616]

No. 25.

Sir E. Egerton to Sir Edward Grey.—(Received January 16.)

(No. 2. Africa.)
Sir,

Rome, January 13, 1908.

WITH reference to my despatch No. 1 of the 10th instant, I have the honour to transmit herewith, in translation, the further information received since that date by the Ministry of Foreign Affairs concerning the Italo-Abyssinian frontier incident near Lugh, in Italian Somaliland.

I have, &c.
(Signed) EDWIN H. EGERTON.

Inclosure in No. 25.

*Telegraphic Correspondence respecting the Italo-Abyssinian Frontier Incident near Lugh,
in Italian Somaliland.*

(Translation.)

THE following information concerning the incident at Lugh was telegraphed to the Ministry for Foreign Affairs by the Administrator of the Benadir Colony from Mogadiscio on the 4th January, and was received on the 11th instant.

Direct news from Lugh was lacking, but a man who left Buracaba on the 1st January brought the news that the encounter between Captain Bongiovanni and the Abyssinians took place on the 15th December at Bagallei, near Bardabe, at ten hours' distance from Buracaba.

In that encounter Captain Bongiovanni (who had recently arrived at Lugh to replace Captain Molinari) was killed, as well as two Yuzbashis and a number of ascaris. The remainder retired in two bodies, one towards Lugh, the other, under Captain Molinari, in another direction. Segre (an Italian trader) was holding Lugh, to which place fifteen ascaris had returned.

It was stated at Buracaba that the Abyssinians had retired in a northerly direction.

Buracaba is stated to be to the south-east of Lugh on one of the two roads leading from Lugh to Mogadiscio. Buracaba is one-third of the way between Lugh and the coast.

The following telegram from the Italian Representative at Adis Abeba addressed on the 11th January to the Minister for Foreign Affairs, is published in this morning's papers (13th).

I have communicated to the Negus Menelek the Lugh incident, presenting the formal protest of the Royal Government against the violation of the *status quo* at Lugh and adjacent territory, and against the fatal consequences resulting therefrom, and informing him of the Government's request for satisfaction and reparation. Menelek was much impressed and pained by the incident, of which he knew nothing.

The Emperor recognized the gravity of the occurrence and charged me to communicate officially to the Royal Government the expression of his deepest regret and the hope that the news might have been exaggerated. He renews his protestations of friendship and loyalty towards the Italian Government, does not hesitate to attribute all responsibility for the incident to Chiefs in rebellion against his orders, and declares himself willing to give all just and necessary satisfaction. Meanwhile, he will take the most energetic action to recall all Abyssinians who may still be in the Lugh territory and in the hinterland of Benadir, and for the evacuation of Lugh should it have been occupied.

Confirming the above assurances for the maintenance of the *status quo* at Lugh and in the Benadir hinterland, the Emperor Menelek declares he will take the necessary steps to maintain it effectually.

The Negus, in addition, guarantees formally that the responsible and guilty parties shall be punished in exemplary fashion, and that an indemnity shall be paid for the damage occasioned by the raids and the conflict.

The "Agence Stefani" has published a notice to the effect that the British, French, and German Governments have instructed their Representatives at Adis Abeba to support the demands presented to Menelek by the Italian Minister in connection with the Lugh affair.

[1638]

No. 26.

Sir Edward Grey to the Marquis di San Giuliano.

Your Excellency,

Foreign Office, January 16, 1908.

WITH reference to my note of the 11th instant respecting the Abyssinian raid on Lugh, I have the honour to inform your Excellency that a further telegram has been received from the Governor of the East Africa Protectorate on the subject.

[1557]

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I regret to say that this communication confirms the report of the death of Captain Bongiovianni, and states that Captain Molinari is wounded and a prisoner.

Lugh is held by Signor Legu with the remainder of the garrison.

No fears are entertained for its safety, but great apprehension is felt for the fate of a portion of the Bardera garrison, under Lieutenant Cibelli, which has gone to the assistance of Lugh.

According to the latest reports the raiding party is composed of Abyssinians and Aulihan Agaden.

I have, &c.
(Signed) E. GREY.

[1718]

No. 27.

Sir F. Bertie to Sir Edward Grey. — (Received January 17.)

(No. 4. Africa.)

Sir,

Paris, January 15, 1908.

THE Minister for Foreign Affairs not having yet returned from Spain, I called this afternoon on the Political Director at the Quai d'Orsay, in order to carry out the instructions contained in your despatch No. 5, Africa, of the 13th instant, which I had the honour to receive this morning.

I told M. Louis that I had come to speak to him, in the absence of M. Pichon, respecting the interests of the Ethiopian Railway Trust and Construction Company, which had made frequent representations to you that their interests in the negotiations concerning the Abyssinian Railway were being overridden and sacrificed by the French Government. You had, after a careful study of the question, come to the conclusion that the claim of the Trust Company for favourable consideration by the Government of the Republic was justified.

I gave to M. Louis the Memorandum inclosed in your despatch, and I said that I had been instructed when communicating it to M. Pichon, which I requested him to do on my behalf immediately on his Excellency's return to Paris, to assure him that His Majesty's Government do not wish to add to the difficulties of the French Government in the question, but merely seek to avoid disagreement arising on a matter where there is really no cause for it.

I found that M. Louis had not yet had cognizance of M. Geoffroy's letter to you of the 8th instant; I therefore gave it to him for perusal before he read the Memorandum. After he had read the two papers, he observed that he did not see why the Trust Company should expect to be treated in a more favourable manner than the other creditors of the Railway Company. I pointed out to him that according to the Memorandum the Trust Company had come to the assistance of the Railway Company at a critical moment, with the knowledge and sanction of the Minister of the Colonies and of the Minister of Finance, and the Railway Company had been saved from bankruptcy. M. Louis said that Mr. Ochs and others interested in the Trust Company had frequently spoken of this sanction, but he had never seen anything in the archives of the Ministry for Foreign Affairs to bear out the statement. He would make inquiries to-morrow morning at the Ministries of the Colonies and Finance as to the facts, and he would lay the result before M. Pichon with the Memorandum which I had given for communication to his Excellency.

As M. Louis made the observation that the only result of the assistance given by the Trust Company had been to delay the bankruptcy of the Railway Company, I reminded him that had the bankruptcy occurred in the first half of the year 1906 the Emperor Menelek might have declared the Railway Concession forfeited, and it might have ceased to be a French enterprise, for that period was anterior to the Tripartite Agreement. M. Louis admitted that this might have occurred.

Before taking leave of M. Louis I said that if the Railway Company were forced into liquidation without proper consideration for the claims of the Trust Company, the Directors of the latter Company might have to state to their shareholders that they had not been equitably treated, and this would have a bad effect on public opinion in England, even if, under French Commercial Law, the Trust Company might have, strictly speaking, no legal claim against the French Government.

I have, &c.
(Signed) FRANCIS BERTIE.

No. 28.

[1790]

Colonial Office to Foreign Office. — (Received January 17.)

Downing Street, January 17, 1908.

Sir, WITH reference to your letter of the 13th instant, I am directed by the Earl of Elgin to transmit to you, for the information of Secretary Sir E. Grey, and communication to the Italian Ambassador, the accompanying copy of a telegram which has been received from the Governor of the East Africa Protectorate relative to the Italian garrison at Lugh.

I am, &c.
(Signed) R. L. ANTROBUS.

Inclosure in No. 28.

Governor Sir J. Hayes Sadler to the Earl of Elgin.

January 15, 1908.

(Telegraphic.)

REFERRING to your telegram of the 15th instant, report by post from Kismayu confirms death Captain Bongiovianni, but states Captain Molinari wounded and prisoner. Lugh held by Signor Segv [? Segra] with remainder of garrison. No apprehension for safety of Lugh, but great apprehension for portion of Bardera garrison, under Lieutenant Cibelli, which has gone to the assistance of Lugh. Raiding party, by latest reports, composed of Abyssinians and Aulihan Agaden. Above information just received by Salkeld's letters, which have been posted semi-officially after closing mail.

[1827]

No. 29.

Mr. Hohler to Sir Edward Grey. — (Received January 18, 1908.)

(No. 93.)

Sir,

Adis Abeba, December 26, 1907.

WITH reference to my telegram No. 47 of the 11th ultimo, I have the honour to forward the following information concerning the recent Abyssinian expedition into the Ogaden, which I have just received from His Majesty's Vice-Consul at Harrar.

Fitaaurari Gabri's force was surrounded by the Hawiya tribe, on the Webi Shebeli, for eighteen days. This tribe deferred their attack until they could be joined by the Ba-Gheri. Gabri, however, forestalled them by sallying out against the latter and defeating them. The Hawiya, consequently, being unable to get other allies, were afraid to persevere, and dispersed.

It is very doubtful, Mr. Gerolimato writes, whether the Abyssinians will be able to collect any more tribute from these tribes, as they are well armed. The traffic in arms in Harrar has been put a stop to, and the introduction of arms through Jibuti has been checked, but arms destined for re-exportation to Arabia are landed at Raheita, whence they find their way through Arusiland into the Ogaden.

Fitaaurari Abanabro reports that he defeated the section of the Ba-Gheri against which he was sent, and that he is returning with an immense amount of spoil.

Mr. Gerolimato anticipates that the result of this will be that the Ba-Gheri, who are adherents of the Mullah, will shortly commence reprisals, and start raids in the near Ogaden.

I hear that the well-known Haji Abdullahi Sadik is being charged with a mission to the Mullah from the Emperor Menelek, but I have not yet been able to verify this report.

I have, &c.
(Signed) T. B. HOHLER.

[1828]

No. 30.

Mr. Hohler to Sir Edward Grey.—(Received January 18, 1908.)

(No. 94.)

Sir,

Adis Abeba, December 27, 1907.

I HAVE the honour to report, with reference to my despatch No. 89 of the 19th instant, that although one copy of the Southern Frontier Agreement, with the accompanying maps, is in my possession,* duly signed, the other being held by the Abyssinian Government, I do not send it by this mail, because a section of the advisers of the Emperor Menelek have found that I am right in saying that it is irregular in form, and are desirous of correcting it.

His Majesty has accordingly requested me to delay sending it to you until he can consider whether it is possible to draw it up in a shape more conformable to custom. I have sent to reply to him that though I am satisfied as to the binding nature of the Agreement as it stands at present, I am quite ready to refrain from forwarding it to you, in compliance with His Majesty's wishes, for one week.

I have, &c.

(Signed) T. B. HOHLER.

[1823]

No. 31.

Sir E. Egerton to Sir Edward Grey.—(Received January 18.)

(No. 3. Africa.)

Sir,

Rome, January 14, 1908.

I HAVE the honour to report, in continuation of my previous despatches on the subject of the incident at Lugh, that the Minister for Foreign Affairs has received a further telegram from Adis Abeba dated the 12th instant.

In it the Italian Chargé d'Affaires confirms the information previously reported, and states that the Emperor Menelek has taken steps for the immediate withdrawal of the Abyssinians from the Benadir Hinterland, and has given orders that a search should be made for Captains Bongiovanni and Molinari, as well as for the release of any prisoners and for the restitution of the raided cattle.

The assurances and declarations of the Negus are being communicated from Adis Abeba to the Italian Resident at Lugh.

I have, &c.

(Signed) EDWIN H. EGERTON.

[2134]

No. 32.

Mr. Cartwright to Sir Edward Grey.—(Received January 20.)

(No. 5.)

Sir,

Munich, January 18, 1908.

I HAVE the honour to state that reports have recently appeared in the South German newspapers with regard to a projected expedition to Abyssinia under the leadership of a certain Herr A. Holtz. It is said that he will be accompanied by two sportsmen, the Counts Salm and Erbach. Many newspapers have asserted that the real object of the expedition is to secure Concessions in that country, and to further German trade in those regions. Among the Concessions which it is rumoured Herr Holtz will attempt to obtain from the Emperor Menelek are a monopoly for the sale of spirituous liquors, one respecting motor connection with Adis Abeba, and another for the supply of arms. The Munich "Neueste Nachrichten" publishes this morning what appears to be an inspired communiqué on this subject. It asserts that, according to trustworthy information, both the Kaiser and the Imperial Government are in no way connected with this enterprise. Official circles have taken no interest whatever in this matter. Counts Salm and Erbach are merely going to Abyssinia for sporting purposes. Moreover, the Munich "Neueste Nachrichten" declares that according to persons who are well acquainted with Abyssinian affairs, Herr Holtz is far from being a *persona grata* with the Emperor Menelek, his relations with that

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Potentate being, in fact, so strained that it is quite possible that he may even be refused admittance into the Abyssinian Empire altogether.

I have, &c.

(Signed) FAIRFAX L. CARTWRIGHT.

[2308]

No. 33.

*Colonial Office to Foreign Office.—(Received January 21.)**Downing Street, January 20, 1908.*

Sir,

I AM directed by the Earl of Elgin to transmit to you, for the information of Secretary Sir Edward Grey, the accompanying extracts from an Intelligence Report which has been received from the Acting Commissioner of Somaliland, dealing with the recent fighting between the Abyssinians and the Bagheri.

I am, &c.

(Signed) R. L. ANTROBUS.

Inclosure in No. 33.

*Extracts from Somaliland Intelligence Report.**Abyssinians and the Bagheri.*

A RUMOUR has been received here that the second Abyssinian column operating against the Bagheri has been successful.

One of my agents at Bohotleh writes that he has seen an Ogaden man there, who states he was an eyewitness of the final operations, and that the Bagheri were completely broken up and are now flying in all directions. Both sides are said to have suffered heavy losses, and the Abyssinian leader was killed; but the Abyssinians have captured an enormous quantity of stock. According to this information the Abyssinians sent a letter to Yusuf Ali, asking for his co-operation, saying, "We have wounded the enemy and lamed him; it is for you to follow him up and cut his throat."

The Bagheri are said to have fled to the south and south-west.

* * * * *

Abyssinian Expeditions.

I have been unable to obtain any news this month confirming the defeat of the two Abyssinian expeditions, as mentioned in last month's Intelligence Report, but, on the other hand, reports received during the month point to successes on the part of the two forces.

When camped at Hedableh on the 16th November a caravan of the Ogaden Ba Awadleh passed through on their way to Berbera, and stated they had left the neighbourhood of Gerlogubi eight days ago, and heard that an Abyssinian force had attacked the Bagheri on two successive days, on the first day looting nine "Karias," and on the second eighty, and that the force was then camped at El Habred.

Fitawrari Abanabro.

Two intelligence men sent down to Gerlogubi report that the column under Fitawrari Abanabro and Ughaz Hashi attacked the Bagheri at Biya Adu, capturing a large quantity of stock; the latter are said to have bolted on the approach of the column.

This force camped at Biya Adu on the 19th, and, after handing over stock to Ughaz Fatali Ba Awadleh to guard, were again advancing. Abyssinian "Illaloes" (spies) reported at Gaboon and Goffodo.

Fitawrari Gabri.

This column attacked the Bagheri at Sheilaba and captured a large quantity of stock, including fifty-five ponies and also seventy rifles.

[1557]

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The fight is reported to have lasted two days, and both sides are said to have lost heavily. Hirsi Haf Bagheri Rer Hamar (Headman of the Bagheri) is a prisoner with many others.

This column was reported as returning to Harrar.

Abyssinia.

Reports regarding the expeditions in the Ogaden are very uncertain. The accounts given last month are contradicted. The Abyssinian authorities now decline to admit a disaster; but it is significant no despatches have as yet come through from Generals Gabri and Abanabro. The relieving force is said to have reached the Webbe, and "hopes are entertained it may be able to extricate Gabri from his difficulties. A report has reached me via Berbera that the Ogaden Bagheri have been defeated by the Abyssinians, and that the Mullah has sent out a force to assist them, but in the face of the news from Abyssinia the Berbera report can hardly be credited.

General Remarks.

Reference was made in the Intelligence Report for October to the rumoured disaster which was said to have overtaken the Abyssinian expeditions against the Bagheri and Ilawiya tribes in the Ogaden. No further information has been received from Adis Abeba, but frequent reports have been brought in during the month from sources other than those mentioned in the foregoing reports from each district, all of which not only contradict disaster, but credit the Abyssinians with definite successes. One man, returning from Jicjiga, states that he actually saw large quantities of stock looted from the Bagheri being driven by the Abyssinians towards that place. It is significant that, while every report speaks of Abyssinian successes, from no source during the month has any rumour of defeat been brought in.

Although no official intelligence has yet been received, there is now at least reason to suppose that the earlier rumours of Abyssinian disaster were incorrect. Adis Abeba being considerably farther from the scene of operations, news may naturally be expected to reach the Protectorate before it could be officially communicated to Abyssinia, and it is hoped that official confirmation of the defeat inflicted on the Mullah's followers in the west may shortly be received.

[2415]

No. 34.

The Marquis di San Giuliano to Sir Edward Grey.—(Received January 22.)

(Translation.)

THE Italian Ambassador presents his compliments to His Britannic Majesty's Secretary of State for Foreign Affairs, and has the honour to remind the British Government that, as they must already be aware from previous communications addressed both to the Foreign Office and to the British Ambassador at Constantinople, the Italian Government is charged with the protection of Ethiopian interests in Palestine, in virtue of—

1. A letter addressed by His Majesty the Negus Negesti to the Ethiopian Commission at Jerusalem, dated the 12th Mogabit, 1882;
2. A letter from the said Negus to His Majesty the King of Italy, dated the 27th Jun., 1897;
3. A letter from the said Negus to His Majesty the Sultan, the 24th July, 1892;
4. An Imperial Iradé, communicated to the Italian Embassy at Constantinople, dated the 7th February, 1903.

With a view to supplying friendly information, and bearing in mind the spirit of the Treaty of the 13th December, 1906, respecting Ethiopia, the Italian Government, in setting forth the above, the legal position and the obligations arising out of that position, and the various steps taken by them from 1903 onwards with a view to the

protection of the interests intrusted to them, give notice to His Britannic Majesty's Government that they propose to explain at a later date their action on behalf of Ethiopian interests in the Holy Land, and particularly in respect of the claim of the Monastery of Deir-el-Sultan at Jerusalem, which constitutes the chief of those interests.

Italian Embassy, December 26, 1907.

[2419]

No. 35.

The Marquis di San Giuliano to Sir Edward Grey.—(Received January 22.)

(Translation.)

Your Excellency,

Italian Embassy, January 20, 1908.

THE French Ambassador at Rome has informed my Government of the approaching conclusion of the Agreement between France and the Negus respecting the railway from Jibuti to Dire Dawa, which the Negus consents to prolong up to Adis Abeba. Under this Agreement goods of any nationality carried by the railway pay a surtax of 6 per cent. *ad valorem*, besides the existing customs duties, but in compensation they are exempt from any internal customs duties, transit dues, or tolls. A new French Company is to take the place of the present Company, and the Negus is to contribute some of the capital.

On the assumption that the French Embassy in London have made a similar communication to your Excellency, and as, under Article X of the London Agreement of the 13th December, 1906, the consent of the English and Italian Governments is necessary for the validity of this new Agreement, I have the honour to inquire as to the views and proposals of the British Government in the matter.

I have, &c.

(Signed) A. DI SAN GIULIANO.

[2428]

No. 36.

Mr. Hohler to Sir Edward Grey.—(Received January 22.)

(No. 5.)

(Telegraphic.) P.

Adis Abeba, January 19, 1908.

THE statements in my telegrams Nos. 2 and 3 still show the actual situation, according to my present information.

[1495]

No. 37.

Sir Edward Grey to Mr. Hohler.

(No. 6.)

Sir,

Foreign Office, January 22, 1908.

I HAVE received your despatch No. 90 of the 21st December, 1907, relative to the question of allowing Greek subjects to proceed to Adis Abeba in search of employment.

I approve the terms of the instructions sent by you to His Majesty's Consular officers at Harrar and Diré Dawa on this point, as reported in that despatch, and I have also instructed His Majesty's Minister at Athens, if he thinks fit, to invite the Greek Government to take action as suggested by you in the last paragraph thereof.

I am, &c.

(Signed) E. GREY.

[1495]

No. 38.

Sir Edward Grey to Sir F. Elliot.

(No. 1. Africa.)

Sir,

Foreign Office, January 22, 1908.

I TRANSMIT to you herewith a copy of a despatch from His Majesty's Chargé d'Affaires at Adis Abeba,* relative to the question of Greek subjects proceeding to Abyssinia in search of employment.

* No. 24.

I am, &c.
(Signed) E. GREY.

No. 39.

(No. 4. Africa.)

Rome, January 20, 1908.

(Translation.)

"The Negus has ordered the Dedjaz Lul Seghet to adopt with me the most convenient measures in order to accompany Perducchi, our Commercial Agent in the Arussi, to Lugh, guaranteeing his security and avoiding further incidents.

"No news have been received of the recent events."

I have, &c.
(Signed) EDWIN H. EGERTON.

No. 40.

(No. 5. Africa.)

Rome, January 21, 1908.

There being now no further urgency in the situation, I do not propose to send further reports unless any new developments should arise.

I have, &c.

(Signed) EDWIN H. EGERTON.

No. 41.

(Translation.)

Your Excellency,

Italian Embassy, London, January 22, 1908.

IN my note of the 26th ultimo I had the honour to request your Excellency to examine whether you considered it advisable that a conversation should take place between your Excellency, M. Cambon and myself, respecting pending Abyssinian

Your Excellency replied that in the first place it would be well to know the points to be discussed, and the views of the Italian Government thereon.

The annexed document complies with your Excellency's natural desire. It contains definite points and expresses the views of the Italian Government thereon. It is a draft of identical instructions which my Government would like the British, French and Italian Governments to send to their respective Representatives at Adis Abeba.

This draft is being submitted officially to the French Government by Count Tornielli, and I have communicated it confidentially to M. Cambon.

I am proposing to proceed to Italy on leave on the 1st proximo, but I would postpone my departure for some days if your Excellency thinks that the conversation *à trois* should take place, and, if so, at an early date. In the contrary case the negotiations would be continued by Count Bosdari, the Chargé d'Affaires.

I have, &c.

I have, &c.
(Signed) A. DI SAN GIULIANO.

Inclosure 1 in No. 41.

*Draft of Identical Instructions to be communicated to British, French, and Italian
Representatives at Adis Abeba.*

AFIN d'éviter d'une façon absolue de porter devant le Négus les différends qui pourraient surgir entre les trois Représentants des Puissances Signataires de l'Accord, du 13 Décembre, 1906, qui doivent toujours être et paraître d'accord devant Ménélík, dans toutes les questions qui intéressent les trois Gouvernements ou leurs sujets ou des Puissances tierces ou des sujets de celles-ci, chacun des trois Représentants ne doit faire aucune démarche sans en informer préalablement ses collègues pour s'entendre et agir d'accord avec eux. Si l'entente ne sera pas possible, l'action devra être suspendue et la décision remise aux Gouvernements respectifs.

2. Toute demande de Concession, aussi bien dans l'intérêt des trois Gouvernements que dans l'intérêt des sujets respectifs, ne pourra être ni présentée ni appuyée, officiellement ou officieusement, par l'un des trois Représentants au Négus, si une communication préalable n'en aura pas été donnée aux deux autres et un accord n'aura pas été conclu entre eux au sujet de cette Concession.

Si les demandes de Concession auront été présentées au Négus directement par des particuliers, le Représentant dont ressort la personne qui fait la demande, si l'un de ses collègues ou les deux ne seront pas satisfaits, devra s'abstenir de l'appuyer, et, s'il sera interrogé par Ménélik, il devra se déclarer contraire à la Concession.

et, si l'on se réfère à l'Article 1^{er} du Protocole, le Gouvernement Éthiopien serait saisi de la part de Représentants ou de sujets de Puissances tierces de demandes de Concessions contraires aux intérêts des trois Puissances ou de l'une entre elles, tels qu'ils sont garantis par l'Accord du 13 Décembre, et si cette circonstance sera reconnue unanimement, les trois Représentants devront, par les moyens qu'ils considéreront les plus utiles, s'opposer conjointement à l'acceptation de ces demandes.

3.—(a.) Les trois Représentants, en conformité de l'opinion qu'ils ont exprimée unanimement le 25 Août, 1906, en faveur de la réunion des résidences des Légations dans un seul quartier, sont autorisés à procéder à la construction de leurs Légations respectives au nord du terrain Kabana, dans la localité déjà choisie, en les fortifiant de façon à ce qu'elles soient à même de résister à un assaut subit de la foule qui pourrait se produire comme suite des désordres occasionnés par la mort de Ménélik ou par d'autres événements pareils, et en les approvisionnant de sorte que, en de pareils cas, elles puissent suffire aux besoins des sujets Européens. Les trois Représentants auront soin d'agir dès maintenant auprès du Gouvernement Éthiopien pour solliciter et obtenir de celui-ci les garanties et les mesures préventives qu'ils considéreront comme nécessaires pour la sûreté des Légations et des Européens résidant à Adis Abeba même en cas de désordres, pour que l'on puisse compter pleinement sur le Gouvernement Éthiopien et limiter l'initiative des trois Représentants à ce qui sera nécessaire pour se prémunir contre l'éventualité d'une menace subite et isolée.

Dans ce dernier but les trois Représentants s'entendront entre eux quant
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au moment favorable pour s'assurer l'appui de l'un ou de plusieurs parmi les chefs influents.

Les trois Représentants sont autorisés, pour atteindre ces résultats, à dépenser les sommes qui seront mises à leurs dispositions par leurs Gouvernements respectifs.

(b.) Afin de contribuer à maintenir l'intégrité de l'Éthiopie, en évitant toute interruption dans l'exercice du pouvoir souverain et tout désordre, les trois Représentants, tout en évitant de s'immiscer dans les affaires intérieures du pays, doivent dès maintenant se préoccuper de la succession de Ménélik et agir auprès de lui pour qu'il désigne officiellement son successeur, et prépare des forces suffisantes à son acceptation. Si cette désignation portera sur une personne qui offre les garanties voulues, les trois Représentants donneront à Ménélik l'assurance que les trois Puissances l'appuieront moralement.

4. Dès que les trois Représentants apprendront la mort de Ménélik, ils convoqueront leurs collègues de toutes les autres Puissances pour décider les mesures à prendre pour la protection des Légations et des sujets respectifs, en conformité des instructions contenues dans le paragraphe précédent, et informeront, si possible, immédiatement les Gouvernements auxquels ils appartiendra de prendre d'un commun accord les mesures opportunes surtout aux frontières, non seulement pour garantir leurs intérêts, mais aussi pour donner aux indigènes la persuasion qu'un parfait accord existe entre les trois Puissances, soit pour maintenir l'intégrité de l'Éthiopie que pour protéger les intérêts respectifs.

5. Comme l'application des lois et usages Abyssins est inadmissible, et comme, d'autre part, il est nécessaire d'avoir égard, dans la mesure du possible, aux susceptibilités du Négus, les trois Représentants sont autorisés à élaborer, de commun accord, un projet tendant à établir en Éthiopie une juridiction spéciale pour les Européens sur la base de l'application de la juridiction Consulaire ou de la création d'une magistrature pour les Européens ou sur tout autre principe de juridiction qu'ils considéreront comme opportun.

6. En raison de la clause de la nation la plus favorisée accordée par l'Éthiopie aux trois Puissances, celles-ci doivent jouir en Éthiopie d'un traitement parfaitement égal en matière de droits de douane et de transit. Les trois Représentants devront, par conséquence, s'informer réciproquement des négociations commerciales conclues ou à conclure, afin d'assurer l'application du principe d'égalité.

Il est cependant entendu que les droits ou surtaxes de transit par une voie déterminée, qui seraient imposés pour l'avantage partiel ou total d'une personne ou société quelconque, ne devront être payés que sur les personnes ou marchandises qui suivront cette voie, et que celles qui en suivront une autre en seront complètement exemptées.

7. Les trois Représentants sont autorisés à appuyer auprès de Ménélik le projet formulé par le Représentant Italien pour la répression du trafic des armes en Éthiopie dont ci-joint une copie, qui a déjà été accepté en principe par le Négus; et à continuer dans leur action commune, en proposant toutes les autres mesures qui peuvent amener à des résultats toujours meilleurs.

8. Dans toutes les questions concernant l'utilité publique, comme la sûreté publique, le traitement des Européens, la voirie, le régime douanier, les trois Représentants, quand ils se seront mis d'accord, chercheront à s'entendre avec les collègues de toutes les autres Puissances.

Inclosure 2 in No. 41.

Draft of Proposals to be presented to the Negus for the Repression of the Traffic in Arms in Ethiopia.

ACCORDING to the provisions of the General Act of Brussels, to which the Emperor Menelek has adhered, and, out of his own initiative, he strictly forbids the introduction and the trade of arms and ammunition in the Ethiopian territory.

2. The only exception is for the introduction of arms and ammunition intended for the Emperor Menelek, and for individuals to whom the Emperor has granted a special authorization.

3. For the introduction of arms and ammunition intended for the Emperor, a certificate of his is required to prove that arms and ammunition are intended for him.

For the introduction of arms intended for private people, besides the authorization of the Emperor, a declaration is required from the owner to the effect that the arms are not for sale.

4. In order to give immediate application to the aforesaid provisions, which have been taken in the interest of Ethiopia, and of the Powers therein concerned, the Emperor Menelek will take the following steps:—

(a.) He will publish a Proclamation strictly forbidding, from its date, the introduction and trade of arms and ammunition in all the Ethiopian territory.

(b.) All traders, who, at the time of the issuing of the Proclamation, will find themselves in possession of arms or ammunition, will be obliged to make a declaration to this effect to the Ethiopian authorities, and to discontinue the sale thereof.

(c.) The Emperor reserves to himself the right of purchasing the arms and ammunition which will be in possession of the traders, and they will be entitled to send them back to the coast with a guarantee as to their destination.

(d.) Any trader who, ten days after the issuing of the Proclamation, will be found in possession of arms and ammunition for which no declaration has been made, or will be caught to smuggle them, will be punished with the seizure of the arms and ammunition and with a heavy fine. If he will offend again, he will be liable of expulsion from the Ethiopian territory, if he belongs to a foreign nationality.

(e.) All arms and ammunition which will be seized will become the property of the Emperor.

(f.) All the Abyssinian authorities and the Customs officials will be intrusted with the enforcing of aforesaid provisions.

(g.) The Emperor Menelek will take the most appropriate steps, in accordance with the conditions of the country, in order to regulate the arms licences.

All the Heads and officers will be responsible for the arms and ammunition delivered to their soldiers, of which a list will be kept.

For all other inhabitants, Ethiopian or foreign, a personal authorization written from the Emperor himself will be required to import or to wear arms for their personal defence.

Such an authorization will only be granted by the authorities, which the Emperor will appoint for the purpose, and against the payment of a tax.

(h.) Severe punishments and heavy fines will be inflicted upon offenders against such provisions.

[2654]

No. 42.

The Marquis di San Giuliano to Sir Edward Grey.—(Received January 24.)

(Translation.)

Your Excellency,

Italian Embassy, January 22, 1908.

BY order of my Government I have the honour to thank your Excellency warmly for the information sent me by the Foreign Office in the note of the 16th instant, respecting the Abyssinian raid at Lugh.

I have at the same time to state that Lieutenant Cibelli, with a part of the Ascaris of the garrison of Bardera, arrived safely at Lugh on the 5th January. The Abyssinians appear to have retired towards Karaule. For reasons of security, Lieutenant Cibelli had to cross into English territory on his march to Lugh.

I have, &c.

(Signed) A. DI SAN GIULIANO.

[1491]

No. 43.

Sir Edward Grey to Sir F. Bertie.

(No. 8. Africa.)

Foreign Office, January 24, 1908.

Sir,
WITH regard to your Excellency's telegram No. 63 of the 16th November, 1907, I transmit to you herewith a copy of a despatch from His Majesty's Chargé d'Affaires at Adis Abeba respecting the relations between M. Klobukowski and his colleagues.

• No. 21.

I do not consider that there is any need to raise this question again, but should the Minister for Foreign Affairs allude to it at any time, Mr. Hohler's explanation will enable your Excellency to dispel M. Pichon's suspicions that His Majesty's Chargé d'Affaires conceals from his French colleague what passes in his audiences of the Emperor Menelek, or that Mr. Hohler is misled by false information received from Queen Taitou.

I am, &c.
(Signed) E. GREY.

[2834]

No. 44.

Mr. Hohler to Sir Edward Grey.—(Received January 26.)

(No. 7.)

(Telegraphic.) P.

Adis Abeba, January 25, 1908.

THIS morning I spoke strongly to the Emperor Menelek about the Lugh incident. He states that his latest information shows that the Italians, without any preliminary parley, commenced the attack.

[2835]

No. 45.

Mr. Hohler to Sir Edward Grey.—(Received January 26.)

(No. 8.)

(Telegraphic.) P.

Adis Abeba, January 25, 1908.

RAILWAY.

I am informed by the French Minister that he has just heard that an agreement has been come to by the Liquidator with a new French Company, so that this brings his business to a conclusion.

[3034]

No. 46.

Mr. Hohler to Sir Edward Grey.—(Received January 27.)

(No. 9.)

(Telegraphic.) P.

Adis Ababa, January 25, 1908.

WITH reference to my telegram No. 8, similar news has been received from Paris by the Agent of the Trust Company, but he hears, also, that the liquidator's action has been declared illegal. As the provision at present made for English interests concerned seems altogether inadequate, I venture to hope this may be so.

It looks as though the French Minister were endeavouring, by wrecking the old Company, to drive Menelek into giving some new Concession, and to secure in Paris what, despite his statements, I believe he has failed to obtain here.

[1027]

No. 47.

Foreign Office to Colonial Office.

Sir,

Foreign Office, January 28, 1908.

WITH reference to the letter from this Office of the 5th July, 1907, I am directed by Secretary Sir E. Grey to transmit to you, for any observations which the Earl of Elgin may wish to offer, a copy of a despatch from His Majesty's Chargé d'Affaires at Adis Abeba,* relative to the commerce of the frontier district between British East Africa and Abyssinia.

I am to suggest that the Tables of trade at Lugh for 1905-1906 and 1907 annexed to this despatch should be compared with the Table given on pp. 9 and 10 of the printed copy of Mr. Clerk's despatch No. 8, forwarded to you in the letter from this Office above referred to, as such a comparison will show that, even after making every allowance for more accurate knowledge due to longer experience of the country, Mr. Zaphiro's figures can only be taken as a very rough approximation of the trade of the Borana country.

* No. 14.

I am also to inquire whether your Department is in possession of any trade returns from Kismayu which would confirm the turning of trade from Lugh to Kismayu, as shown by the Tables annexed to the accompanying despatch. For instance, 2,000 pieces of black muslin were imported from Lugh in 1905-1906, and only 200 pieces in 1907. It is hardly likely that the demand among the natives for these goods dropped 90 per cent. within one year, and therefore presumably the balance was made up by imports from Kismayu.

I am further to request you to draw the attention of the Earl of Elgin to Mr. Zaphiro's observations as to the action of the authorities of British East Africa in checking the development of trade between Kismayu and the Borana country. If Mr. Zaphiro's figures are in any way approximately correct, it would seem to be well worth while to use any legitimate means to foster this trade, and Sir E. Grey would be glad to learn the views of the Government of the Protectorate on this point.

I am, &c.
(Signed) W. LANGLEY.

[3183]

No. 48.

Mr. Hohler to Sir Edward Grey.—(Received January 29.)

(No. 1.)

Sir,

Adis Abeba, January 1, 1908.

WITH reference to my despatch No. 94 of the 27th December, I have the honour to report that I saw the Emperor Menelek on Monday last on the subject of the Southern Frontier Agreement.

His Majesty fully understands the binding nature of the Agreement, pending the delimitation of the exact frontier line by the Commissioners, but he is content that it should remain in its present irregular form. He wishes to put it in the ordinary form of a Treaty when the Commissioners shall have finished their labours, and he expressed the desire that they might commence them with the least possible delay, saying that his officers would be ready to start as soon as their British collaborators arrived.

I have the honour to inclose herewith the English and Amharic texts of the Agreement, together with the annexed maps, duly signed.*

I have, &c.
(Signed) T. B. HOHLER.

[3185]

No. 49.

Mr. Hohler to Sir Edward Grey.—(Received January 29.)

(No. 3.)

Sir,

Adis Abeba, January 3, 1908.

WITH reference to the last paragraph in my despatch No. 93 of the 26th ultimo, I have the honour to state that I questioned the Emperor Menelek, on Monday last, as to the nature of the mission which had been intrusted to Abdullahi Sadik.

His Majesty replied that he had sent him down to endeavour to induce the Chiefs of some of the tribes (mentioning the Hawiya and Ba-Gheri) to come to Adis Abeba, in order to establish peace with them, and also, he somewhat vaguely said, to try to obtain from them the arms which they at present possess, by peaceful means.

The Italian Government is on the point of initiating negotiations for the settlement of the frontier between Benadir and Abyssinia, and it seems probable that the Emperor is trying to win the tribes, especially those in the south, in the neighbourhood of Lugh, over to his side, in order to curtail Italian pretensions, as far as possible, by being able to point to the extent of Abyssinian authority.

I have, &c.
(Signed) T. B. HOHLER.

[3219]

No. 50.

Treasury to Foreign Office.—(Received January 29.)

Sir,

Treasury Chambers, January 28, 1908.

I HAVE laid before the Lords Commissioners of His Majesty's Treasury Mr. Langley's letter of the 3rd instant, relative to Sir J. Harrington's scheme for the defence of the foreign Legations at Adis Abeba.

In reply I am to state for the information of Secretary Sir E. Grey that my Lords assent in principle to the construction of a suitable house for the British Legation; and they would be glad if the Secretary of State would consult the First Commissioner of Works as to the details of the scheme and obtain an approximate estimate of the probable cost.

I am, &c.

(Signed) G. H. MURRAY

[3034]

No. 51.

Sir Edward Grey to Mr. Hohler.

(No. 3.)

(Telegraphic.) P.

ABYSSINIAN Railway.

Foreign Office, January 30, 1908.

With reference to your telegrams Nos. 8 and 9 of the 22nd and 30th instant, it appears that the official liquidator of the Railway Company accepted on the 21st instant, under a threat of the forced *déchéance* of the Company, the following scheme, proposed by the French Government:—

The assets of the Railway Company are to be acquired for a sum of about 8,000,000 fr. by a new Company, which is to be formed with the assistance of the French Government.

The Trust Company have consulted their French lawyers, whose opinion is that this action is illegal on the part of the liquidator. The question, however, has not yet been made the subject of a judicial decision.

As regards the position of British creditors of the Railway Company, representations had previously been made to the French Foreign Minister.

[2419]

No. 52.

Sir Edward Grey to the Marquis di San Giuliano.

Your Excellency,

Foreign Office, January 30, 1908.

WITH reference to your Excellency's note of the 20th instant relative to the proposed extension of the French railway from Diré Dawa to Adis Abeba, I have the honour to inform your Excellency that I have received a communication from the French Embassy in London on this subject, similar to that made by the French Ambassador in Rome to the Italian Government.

In the opinion of His Majesty's Government there does not appear to be any reason to object to the terms of the Concession which M. Klobukowski is endeavouring to arrange with the Emperor Menelek, as they are described in the communication made to me by M. Geoffray. I am, however, consulting our Minister at Adis Abeba on the matter, and His Majesty's Government propose to await the arrival of Sir J. Harrington's observations before making any definite reply to the French Government.

I have, &c.

(Signed) E. GREY.

[2653]

No. 53.

*Sir Edward Grey to the Marquis di San Giuliano.**Foreign Office, January 31, 1908.*

Your Excellency,

I HAVE the honour to acknowledge the receipt of your Excellency's note of the 22nd instant, transmitting a draft of instructions which the Italian Government desire that the Italian, French, and British Governments should send to their respective Representatives in Abyssinia.

I beg to express my thanks to your Excellency for this communication which shall receive my most careful consideration, but I would wish, before entering upon a discussion of the various points raised therein, to consult Sir J. Harrington, our Minister at Adis Abeba, as to his views.

I shall not fail to communicate again with your Excellency as soon as I receive a reply from Sir J. Harrington, but in view of the time that must elapse before an answer reaches the Foreign Office, I trust that your Excellency will not consider it necessary to postpone your departure for Italy, as I do not consider it likely that His Majesty's Government will be in a position to discuss the various questions raised in the draft instructions much before your Excellency's return to London.

I have, &c.

(Signed) E. GREY.

[2654]

No. 54.

Sir Edward Grey to the Marquis di San Giuliano.

Your Excellency,

Foreign Office, January 31, 1908.

I HAVE the honour to express to your Excellency the satisfaction with which His Majesty's Government have learnt from your Excellency's note of the 22nd instant that the troops from Bardera have arrived safely at Lugh, and that the Abyssinians have apparently retired from the latter place.

I have further the honour to thank your Excellency for the information in the note above referred to that for reasons of security Lieutenant Cibelli was obliged to enter British territory in the course of his march towards Lugh.

I have, &c.

(Signed) E. GREY.

[3578]

No. 55.

The International Ethiopian Railway Trust and Construction Company to Sir Edward Grey.—(Received February 1.)

Sir,

54, Clements Lane, London, January 31, 1908.

IN addressing you again with reference to the affairs of the Ethiopian Railway Company, we wish to take the opportunity of expressing our thanks for the representations which we understand have been made to the French Government on behalf of the interests we represent, subsequent to our handing to the Foreign Office the Memorandum of the 4th November, 1907, and for the renewal of those representations subsequent to the presentation of our Memorandum of the 1st January, in which we stated at some length the grounds on which we ventured to claim a renewal of your good offices for the protection of the British commercial interests of which we are the representatives.

It is in connection with those renewed representations, which we understand have been made by His Majesty's Government on our behalf, that we now venture to ask for your further assistance.

The semi-official announcement which appeared in the "Temps" newspaper of the 22nd January, confirmed from other reliable quarters, leaves no room for doubt that the liquidator of the Ethiopian Railway Company, acting under the direct pressure of the French Government, has consented to transfer to a new Company, to be formed by a financial group acting under the auspices of the French Government, the whole of the assets of the Railway Company at a price greatly below the actual value of the property which it is proposed to transfer.

It is obvious that if the proposal which you have been good enough to transmit to the French Government for the acquisition on reasonable terms of the whole of our interests in the railway is accepted by the French Government, the transfer of the assets of the existing Company is not a matter in which we should have any concern, or in which we could invite the intervention of His Majesty's Government. But until we know whether the French Government is prepared to entertain the proposal for the acquisition of our interests, we are necessarily left in a state of uncertainty as to our position and as to the steps we should take for the preservation of the interests we represent in the Railway Company.

Meanwhile information which reaches us from various quarters indicates that active steps are being taken to give effect to the scheme by which the Ethiopian Railway Company is to be deprived of its assets with as little delay as possible, and we fear that the French Government may be deliberately refraining from making a reply to the representations you have been good enough to make on our behalf, so that we may continue under the paralyzing influence of uncertainty as to the course we should pursue.

In the circumstances, we venture very respectfully to ask that you will make such further representations to the French Government as may be necessary to obtain as early a reply as possible to the proposal we have submitted for the purchase of the whole of our interests in the Ethiopian Railway enterprise.

We have, &c.
(Signed) OCHS BROTHERS,
Managing Directors.

[3553]

No. 56.

Memorandum communicated by M. Cambon, February 1, 1908.

PAR une note en date du 22 de ce mois l'Ambassadeur d'Angleterre à Paris a bien voulu appeler l'attention du Gouvernement Français sur la situation privilégiée que l'"International Ethiopian Railway Trust and Construction Company" prétend occuper par rapport aux autres créanciers de la Compagnie des Chemins de Fer Éthiopiens pour les avances qu'elle a faites à cette Société.

L'Ambassadeur de France est chargé de faire savoir à son Excellence Sir Edward Grey, en réponse à cette communication, que le Gouvernement Français ne peut que se référer à ses déclarations antérieures au sujet de cette affaire et répéter que le liquidateur judiciaire de la Compagnie Impériale des Chemins de Fer Éthiopiens est seul qualifié pour examiner les réclamations des créanciers de la dite Compagnie.

Les revendications de l'"International Ethiopian Railway Trust and Construction Company" seront examinées sans aucun doute dans le plus complet esprit de justice. Toutefois le Gouvernement Français croit devoir faire remarquer dès à présent que la prétention formulée par le "Trust" et tendant à invoquer l'intervention du Gouvernement Français en 1906 pour obtenir un traitement privilégié ne paraît nullement recevable, étant donné surtout les réserves que comportait l'autorisation Ministérielle du 1^{er} Mars, 1906, et qui ont été ainsi formulées :—

"Il est, d'ailleurs, formellement stipulé que le Gouvernement ne prend, par cette autorisation, aucun engagement, ne donne aucune garantie quelconque, et n'assume, enfin, aucune responsabilité, à un titre quelconque, tant vis-à-vis de la Compagnie Impériale des Chemins de Fer Éthiopiens que vis-à-vis d'un tiers quelconque."

Le 31 Janvier, 1908.

[3588]

No. 57.

Sir J. Hurrington to Sir Edward Grey.—(Received February 1.)

(No. 11.)

(Telegraphic.) P.

Adis Ababa, January 31, 1908.

THE Emperor Menelek received me yesterday; the reception was very satisfactory.

41

No. 58.

Sir F. Lascelles to Sir Edward Grey.—(Received February 3.)

(No. 37.)

Sir,

Berlin, January 26, 1908.

A BERLIN correspondent of the "Kölnische Zeitung" communicates to that journal a strong denial of a report recently published in the "Standard" to the effect that the "Mission" of Herr Holtz to Abyssinia is causing some anxiety in Paris, especially as it occurs at the same moment as the well-known "Islam Agitator," Baron von Oppenheim, is due to arrive in Cairo.

The correspondent ridicules the whole report; the German Government have nothing to do with Herr Holtz, whom they have entrusted with no kind of mission, nor has his journey anything to do with Baron von Oppenheim's movements.

I have, &c.
(Signed) FRANK C. LASCELLES.

[2415]

No. 59.

Sir Edward Grey to the Marquis di San Giuliano.

HIS Majesty's Secretary of State for Foreign Affairs presents his compliments to the Italian Ambassador, and has the honour to acknowledge with thanks his Excellency's note of the 26th December last, relative to the protection of Ethiopian interests in Palestine.

Sir E. Grey will await the further communication referred to by the Marquis di San Giuliano before making a detailed reply on the subject.

Foreign Office, February 4, 1908.

[4018]

No. 60.

The Marquis di San Giuliano to Sir Edward Grey.—(Received February 5.)

(Translation.)

Your Excellency,

Italian Embassy, London, February 1, 1908.

I HAVE the honour to acknowledge the receipt of your Excellency's note of the 30th ultimo, in which you informed me that the British Government, while reserving to themselves the right of consulting later on their Minister at Adis Abeba on the matter, do not see any reason to oppose in its general lines the Concession of the railway from Dire Dawa to Adis Abeba which is being negotiated between the Negus and M. Klobukowski.

I do not fail to communicate the contents of your note to my Government, and I am now instructed to inform your Excellency that they consider the Agreement acceptable in its general lines, with the exception of the clause under which the Ethiopian Government maintain the right of levying transit and toll dues, in addition to the customs duties, on goods carried from and through Ethiopia by other routes than that of the Jibuti-Adis Abeba Railway. Such a clause is contrary to the Italo-Ethiopian Treaty, which establishes a uniform tariff in Article III, where it is textually stated: "For the export and import traffic, by whatever route it passes in Ethiopia, duty shall be paid at a single point." The application of the proposed clause of the Franco-Abyssinian Treaty would be especially harmful to the commerce of the Colony of Erythraea, which would be subject to an arbitrary tariff imposed by the Ethiopian authorities.

The Italian Government must, therefore, in the event of this clause being accepted, oppose it on the basis of the above-mentioned Article of the Italo-Ethiopian Treaty of the 21st July, 1906; and it is in this sense that they have replied to the Memorandum communicated to my Government by the French Embassy at Rome on the 11th January, 1908.

I have, &c.
(Signed) SAN GIULIANO.

[1557]

M

[2653]

No. 61.

Sir Edward Grey to Sir J. Harrington.(No. 9.)
Sir,*Foreign Office, February 5, 1908.*

I TRANSMIT to you herewith a copy of a note from the Italian Ambassador at this Court,* together with a copy of the reply which I have addressed to his Excellency,† on the subject of identic instructions which the Italian Government desire should be sent to the Representatives of Great Britain, France, and Italy at Adis Abeba.

I request that you will furnish me with your observations on these proposals.

I am, &c.
(Signed) E. GREY.

[3219]

No. 62.

Sir Edward Grey to Sir J. Harrington.(No. 10.)
Sir,*Foreign Office, February 5, 1908.*

WITH reference to my despatch No. 69 of the 23rd September, 1907, relative to the question of the defence of the Legations at Adis Abeba, I transmit to you herewith copies of correspondence which has passed between this Office, His Majesty's Treasury and the War Office on the subject.‡

You will observe that the Lords Commissioners have now assented in principle to the construction of a suitable house, and I therefore request that you will send in a detailed estimate of the cost, so far as you can do so without technical advice, as soon as possible. This estimate should include an estimate of the provisions required and of the period for which, subject to turnover by current consumption, such provisions would keep in the Abyssinian climate without deterioration.

I am, &c.
(Signed) E. GREY.

[3219]

No. 63.

Foreign Office to War Office.

Sir,

Foreign Office, February 5, 1908.

I AM directed by Secretary Sir E. Grey to transmit to you herewith, for the information of Mr. Secretary Haldane, copies of correspondence, as marked in the margin, which has passed between this Office and His Majesty's Treasury,§ relative to the construction of a new Legation house at Adis Abeba, capable of being defended against mob attack.

I am to add that Sir E. Grey would be glad if he could be furnished with an estimate of the cost of the arms, ammunition, material for wire entanglements, sand-bags, and powder for fougasses suggested by Sir J. Harrington as necessary for this purpose, in his letter of the 10th September last, of which a copy is also inclosed.||

I am, &c.
(Signed) W. LANGLEY.

[3219]

No. 64.

Foreign Office to Office of Works.

Sir,

Foreign Office, February 5, 1908.

WITH reference to my letter of the 23rd September, 1907, relative to the construction of a new Legation house at Adis Abeba, I am directed by Secretary Sir E. Grey to transmit to you herewith copies of correspondence with the Treasury on the subject.¶

* No. 41.

† No. 53.

‡ To Treasury, September 21; Treasury, September 27, 1907; and *ante*, Nos. 5, 50, and 63.§ To Treasury, September 21 [31115]; Treasury, September 27, 1907 [32377]; and *ante*, Nos. 5 and 50.

|| Sir J. Harrington, September 10, 1907 [31115].

¶ Nos. 5 and 50.

Sir E. Grey would be grateful if the First Commissioner of Works would cause him to be furnished with details and an estimate, in accordance with the wish expressed in the last paragraph of the accompanying letter from the Treasury.

I am, &c.
(Signed) W. LANGLEY.

[4098]

No. 65.

Sir F. Elliot to Sir Edward Grey.—(Received February 6.)(No. 1. Africa.)
Sir,*Athens, January 31, 1908.*

WITH reference to your despatch No. 1, Africa, of the 22nd instant, I have the honour to report that I showed to M. Skousès yesterday the *procès-verbal* of the meeting of the Greek Community at Adis Abeba inclosed in Mr. Hohler's despatch No. 90 of the 21st December, adding that in the opinion of His Majesty's Chargé d'Affaires it would be very desirable that the Greek Government should give publicity to the fact that at the present moment there is in Abyssinia only scope for a very limited number of skilled artisans, and no demand whatever for unskilled labour; and that persons newly arriving should possess at least 100 dollars so as to be able to maintain themselves until they find occupation. His Excellency took note of my statement.

He took the opportunity to inform me that the Statutes of the newly-formed Greek Community had been received, and that the Royal Decree sanctioning them was being prepared and would shortly be issued. The Community would then be in a position to relieve His Majesty's Legation of a part of the burden of protecting Greek interests.

I have, &c.
(Signed) F. ELLIOT.

[3553]

No. 66.

Foreign Office to International Ethiopian Railway Trust and Construction Company.

Gentlemen,

Foreign Office, February 7, 1908.

WITH reference to your letter of the 31st ultimo, relative to the question of your position in the matter of the Ethiopian Railway, I am directed by Secretary Sir E. Grey to inform you that a reply has been received from the French Ambassador at this Court to the representations made by His Majesty's Ambassador in Paris on this subject.

M. Cambon states that in the opinion of the French Government the official liquidator of the Imperial Ethiopian Railway Company is alone qualified to examine the claims of creditors of the said Company, and that the claims of the Trust Company will, without any doubt, be considered with the fullest sense of justice.

His Excellency adds that his Government wish to point out that they regard the Trust Company's claim for special treatment, based on the intervention of the French Government in 1906, as inadmissible, especially in view of the reservation in the last paragraph of the letter from the Minister of the Colonies to the Railway Company of the 1st March, 1906.

I am, &c.
(Signed) W. LANGLEY.

[4735]

No. 67.

Sir Edward Grey to Sir E. Egerton.(No. 3. Africa.)
Sir,*Foreign Office, February 10, 1908.*

THE Italian Ambassador told me on the 31st ultimo that, under the French Agreement with Menelek, goods carried by railway were to pay 6 per cent. extra duty, but were to be exempt from transit and other tolls.

He assumed this meant that the extra duty was to be paid as long as transit or other tolls continued, and was not to be construed as meaning that the existing transit or other tolls must be kept in force.

I said I thought his assumption must be right, but the Italian Ambassador thought it desirable that we should be quite clear on the subject.

I am, &c.
(Signed) E. GREY.

[5020]

No. 68.

Count de Bosdari to Sir Edward Grey.—(Received February 13.)

THE Italian Chargé d'Affaires presents his compliments to His Britannic Majesty's Secretary of State for Foreign Affairs, and, in answer to his Excellency's note of the 4th instant, has the honour to state that no further communication is, for the present, contemplated by this Embassy on the subject of the protection of Ethiopian interests in Palestine.

Count A. de Bosdari would, therefore, be glad to receive, at Sir Edward Grey's early convenience, the detailed reply on the subject which Sir E. Grey has been good enough to promise in the aforesaid note.

Italian Embassy, London, February 12, 1908.

[5055]

No. 69.

International Ethiopian Railway Trust and Construction Company to Sir Edward Grey.—(Received February 13.)

Sir,

34, Clement's Lane, London, February 12, 1908.

WE have the honour to acknowledge the receipt of your letter of the 7th February in which you communicate to us the substance of the reply received from M. Cambon to the representations made by His Majesty's Ambassador in Paris to the French Government on the subject of the British commercial interests in the Ethiopian Railway Company which we represent.

We would venture respectfully to point out that the reply of the French Government is not only inadequate, but is based upon assumptions which are inaccurate.

M. Cambon states:

1. "That in the opinion of the French Government the official liquidator of the Imperial Ethiopian Railway Company is alone qualified to examine the claims of creditors of the said Company, and that the claims of the Trust Company will, without any doubt, be considered with the fullest sense of justice."

2. That the French Government "regard the Trust Company's claim for special treatment based on the intervention of the French Government in 1906 as inadmissible, especially in view of the reservation in the last paragraph of the letter from the Minister for the Colonies to the Railway Company of the 1st March, 1906."

It is impossible to treat the two questions involved in M. Cambon's statement entirely separately, but we would venture in the first place to refer to the claim which we have put forward for special treatment. That claim is not based only on the letter of M. Clementel of the 1st March, 1906, but on the whole of the circumstances set out in the Memorandum of the 1st January which we had the honour to submit to you. Briefly summarized, our position is that for several years we have afforded our financial support to the Ethiopian Railway Company as a commercial enterprise; that our position as the financiers of the Company was known to and recognised by the French Government, which not only accepted our co-operation but invited it and dictated the terms on which in certain respects that co-operation could be accepted. We have referred to the letter of M. Clementel of the 1st March, 1906, as conclusive evidence, but as evidence only, of the accuracy of this contention.

The allusion made by his Excellency the French Ambassador to the last paragraph of M. Clementel's letter leaves us no alternative but again to direct your attention to the attitude adopted by the French Government towards the Ethiopian Railway Company during the year 1906. On referring to the terms of M. Clementel's letter you will observe that in exchange for the cash which we handed to the Railway Company we were to receive bonds at a fixed price. M. Clementel,

however, accompanied his assent to the issue of these bonds with the following proviso: "Ces obligations ne pourront être transférées en obligations au porteur et on ne pourra en demander l'admission à la cote de la Bourse avant le 15 Octobre, 1906, à moins d'autorisation spéciale donnée par le Ministre des Colonies d'accord avec le Ministre des Finances."

At the moment when the French Government accepted our financial co-operation on these terms the diplomatic negotiations relating to Abyssinia were still engaging the attention of the British, French, and Italian Governments, and the French Government was anxious that the Ethiopian Railway Company should be maintained so as to preserve alive the concession granted by the Emperor Menelik in 1894. In July those negotiations resulted in an agreement which was not, however, published until December of the same year. Consequently, in July the French Government had secured the principal object which it had in the negotiations, viz., the assent of the other two Powers to the railway to Adis Adeba being constructed under French auspices. It is important to take note of the dates, for it was only after the agreement had been concluded that in the month of August M. Leygues, who had succeeded M. Clementel as Minister for the Colonies, declined to allow the Ethiopian Railway Company to issue further bonds to meet the interest on its coupons, and to provide for its current expenses. But for the further financial assistance rendered by the Trust Company, in circumstances with which you are fully acquainted, the inevitable result of the refusal would have been to force the Railway Company into judicial liquidation at a date anterior to the 15th October, when the bonds accepted by the Trust Company with the sanction of the French Government alone became negotiable.

We submit with confidence that the reservation referred to by his Excellency the French Ambassador in the last paragraph of M. Clementel's letter was never intended, and could not have been intended, to relieve the French Government from all responsibility for the consequences of its own action, and that consequently the words referred to in no way weaken the case we have made out for just and equitable treatment at the hands of the French Government, based not on any single letter but on the whole course of our dealings with the Ethiopian Railway as a commercial enterprise.

We will now ask your permission to consider M. Cambon's first statement, which falls naturally into two heads:—

(a.) That the official liquidator is alone qualified to examine the claims of creditors of the said Company.

(b.) That the claims of the Trust Company will, without any doubt, be considered with the fullest sense of justice.

To these propositions we would oppose the following:—

1. That since our claim is for special treatment based on the action of the French Government, the Government alone is competent to deal with it. When informed verbally that such a claim was being made, the liquidator replied that he had no cognisance of it, and in any case could not entertain it, as a claim of such a character fell solely within the competence of the Government.

2. That, as representing British commercial interests, we are in the circumstances justified in seeking to approach directly the French Government, and in inviting the assistance of His Majesty's Government to that end for the following reasons, in addition to those already given:—

(a.) That the object of the French Government being political, it is incumbent on the French Government to protect and adequately to compensate any commercial interests which may be sacrificed in pursuit of its political objects, the legitimacy of which we do not seek to call in question.

(b.) That the French Government, after securing its political object, so far as the assent of Great Britain and Italy was concerned, sought to drive, and eventually succeeded in driving, the Railway Company into judicial liquidation without protecting or adequately compensating the interests we represent.

(c.) That the liquidation has from the first been under the influence of the French Government, and that consequently the liquidator is not a free agent.

(d.) That in particular the French Government has compelled the liquidator to give his consent, without the sanction of the shareholders, to the sale of the assets of the Ethiopian Railway Company to a proposed new Company, formed at the instigation of the French Government and with a Government guarantee of its bond and share capital, at a price which the liquidator himself regards as quite inadequate.

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(e.) That it is therefore clear that the liquidator is not in a position, even were he competent to entertain the Trust Company's claims at all, to consider them with "the fullest sense of justice."

3. That the openly-avowed object of the liquidation of the Railway Company is to get rid of the "foreign," i.e., the British element.

As to proposition (1), we submit that it is self-evident.

As to proposition (2), paragraph (a) merely asserts a principle of public morality to which we do not suppose exception will be taken by the Government of any civilized State. The evidence in support of the statement of fact in paragraph (b) is contained in letters addressed by the French Colonial Office to the Railway Company on the following dates: 23rd August, 1906; 29th November, 1906; 27th March, 1907; and 24th December, 1907. Copies of these letters are inclosed herewith for your information.

In support of the statements made in paragraphs (c) and (d) of proposition (2), from which (e) follows as an inference, we beg to direct your special attention to the following documents, which, we submit, afford ample justification for the statements made and furnish a conclusive reply to M. Cambon's allegations. These documents are:—

I. Copy of a Report, dated the 14th November, 1907, addressed by M. Vacher, the Judicial Liquidator, to the President of the Tribunal of Commerce, in his capacity as Juge Commissaire. We would specially direct your attention to the opening sentence of the second paragraph of M. Vacher's Report, as follows:—

"Dès l'origine, la solution d'un concordat pur et simple, la Compagnie étant chargée d'achever la ligne jusqu'à Adis Abeba et de l'exploiter, a été écartée par le Gouvernement."

II. Copy of a Report, dated the 20th January, 1908, addressed by M. Vacher to M. Chapuis, President of the Tribunal of Commerce, in his capacity of Juge Commissaire. We would invite your very special attention to this Report, in which M. Vacher subjects to a careful examination the proposals made to him by the Government for the transfer of the assets of the Company of which he is the liquidator, to another Company promoted by the French Government; demonstrates the inadequacy of these proposals; and then, interrupted whilst still preparing his Report, relates how he was summoned to the Ministry of Finance and there confronted by M. Milliès-Lacroix, the Minister for the Colonies, who produced a decree declaring the *déchéance* of the Company, and informed M. Vacher that if he did not accept the Government's proposal before the evening the decree would be signed by the President of the Republic on the following day. In the face of this menace M. Vacher yielded.

III. Copy of a letter, dated the 29th January, 1908, addressed by the Judicial Liquidator to M. H. Farran, of 12, Rue du Potteau, Paris, in which, replying to an inquiry as to the position of the Company, the liquidator states:—

"Je suis autorisé par M. le Juge Commissaire, afin d'éviter les conséquences désastreuses d'une déchéance dont se trouve menacée cette Société, à céder à l'amiable son actif à une Société nouvelle, sous réserve que les conditions de cette cession seront sanctionnées par une loi."

As to proposition (3), this statement of the avowed object of the liquidation of the Company has been repeatedly made in the public press, and has been affirmed again and again in conversation by persons occupying an official position. But there is perhaps no need to do more than quote the declaration made in the Senate by the Reporter of the Budget on Foreign Affairs, who, speaking on the 23rd December, 1907, said textually:

"Jusqu'ici, vous le savez, la France avait occupé une situation privilégiée, naturellement contestée par les rivaux. Elle se trouvait en difficultés, en embarras de relations avec des voisins à la fois puissants et actifs, les Anglais et les Italiens. Étendant en Éthiopie les amicales relations déjà formées en Europe avec ces deux peuples, la France a signé avec eux l'accord dont je parle; heureusement, malgré les concessions qu'elle a dû faire et qui sont nécessaires dans tout accord, elle a gardé la certitude d'avoir à la fois la maîtrise et l'exploitation de ce chemin de fer pour lequel elle a fait déjà tant de sacrifices. Une note du Conseil des Ministres, d'hier ou de ce matin, rassurait à cet égard

l'opinion publique en faisant apparaître que la Société, qui jusqu'alors avait traité cette affaire, allait disparaître et faire place à un nouveau groupement qui, cette fois, ferait aboutir l'œuvre et la ferait aboutir dans l'intérêt véritablement Français."

We venture respectfully to submit that the documents we have now placed before you justify our contention that, under the proposals which the French Government have forced the liquidator to accept, British commercial interests are being treated with grave injustice; that the only means we have of obtaining just treatment is through the medium of the French Government, and that the Judicial Liquidator is powerless to deal with our claim.

We have already expressed in unmistakable terms our willingness to cede our position either to the French Government or to its financial associates for a fair and adequate compensation, and we now formally repeat this offer. It is not therefore a case of there being no alternative to squeezing out associates whose co-operation is no longer desired by such drastic measures as the destruction of the existing Company. The Judicial Liquidator, in his Report of the 20th January, already referred to, states in emphatic terms that the object which the Government is avowedly anxious to obtain, i.e., the elimination of the foreign element, can be secured by the reorganization of the existing Company on terms much less onerous to the French taxpayer than are involved in the constitution of a new Company. In these circumstances it is difficult to escape from the conclusion that other motives than the avowedly patriotic motive advanced have inspired the campaign against the Railway Company, which has brought it to its present position. Such motives are not difficult to discover. The proposed new Company, while enjoying a Government guarantee not only on its debenture capital of 40,000,000 fr., but also on its share capital of 15,000,000 fr., will acquire for a sum estimated by the liquidator to be of the capital value of less than 8,000,000 fr. assets which are, at the lowest possible valuation, worth 25,000,000 fr. The advantageous character of such a bargain from the point of view of the proposed new Company need not be insisted on.

We have no desire to enter on a discussion of the motives which have actuated the French Government in adopting towards the Railway Company the line of conduct which we have indicated, but we feel bound to point out that, should the Government of the Republic persist in its refusal to deal in a spirit of justice and equity with the claim we have advanced, it will be difficult to avoid the conclusion that the French Government is either the accomplice or the dupe of a financial operation the object of which is to deprive the present owners of the assets of the Ethiopian Railway Company of their property and to hand them over without adequate consideration to a financial group selected by the French Government.

It is hardly necessary, we imagine, to point out what a disturbing influence a transaction of this character would have on the confidence which is now felt in commercial and financial circles in this country in the security of British capital invested in French commercial enterprises, more especially as, whatever may be the real motive of those responsible for its execution, the avowed object is hostility to British capital as such.

While, therefore, we are grateful to His Majesty's Government for the representations already made on behalf of the interests we represent, we would very respectfully invite you to renew those representations to the Government of the Republic, supported by the additional information which we now have the honour to submit for your consideration.

We have, &c.
(Signed) OCHS BROTHERS,
Managing Directors.

Inclosure 1 in No. 69.

M. Milliès-Lacroix to President of Council of Administration of Ethiopian Railway Company.

M. le Président,

Paris, le 23 Août, 1906.

VOUS m'avez demandé, par lettre du 2 Août courant, l'autorisation d'émettre de nouvelles obligations pour vous procurer les fonds nécessaires, d'une part, au paiement du coupon du 1^{er} Septembre sur les obligations de la deuxième série, ainsi que des coupons échus le 1^{er} Juillet dernier sur les obligations de la troisième série, et d'autre part aux besoins courants de votre Compagnie pour les mois de Juillet, Août et Septembre.

J'ai l'honneur de vous faire connaître, après avoir pris l'avis de M. le Ministre des Finances, qu'un certain nombre d'actions de la Compagnie n'étant pas entièrement libérées et leur libération devant produire une somme très supérieure à celle exigée par les besoins actuels de votre Compagnie, il n'est pas possible d'autoriser l'émission d'obligations pour faire face aux charges susindiquées. Il appartient à votre Compagnie de se procurer, à ses risques et périls, par tout autre moyen régulier, les ressources dont elle a besoin.

Recevez, &c.
Le Ministre des Colonies,
(Signé) MILLIÈS-LACROIX.

Inclosure 2 in No. 69.

M. Millières-Lacroix to Vice-President of Ethiopian Railway Company.

M. le Vice-Président,
Paris, le 29 Novembre, 1906.
PAR lettre du 27 Novembre courant, vous m'avez donné connaissance d'une demande que vous adressiez le même jour à M. le Ministre des Finances à l'effet d'obtenir pour votre Société l'autorisation d'émettre 10,000 obligations nouvelles (troisième série) pour faire face à divers coupons et à des travaux urgents.

Je dois tout d'abord vous faire observer que, conformément aux dispositions de l'Article V, paragraphe 3, de la Convention du 6 Février, 1902, cette demande aurait dû être adressée au Ministre des Colonies.

Quoiqu'il en soit, j'ai l'honneur de vous faire connaître que, d'accord avec M. le Ministre des Finances, je refuse formellement mon autorisation à toute émission d'obligations et à tout emprunt sous quelque forme que ce soit à contracter par votre Compagnie pour faire face au service de son capital obligations.

Recevez, &c.
Le Ministre des Colonies,
(Signé) MILLIÈS-LACROIX.

Inclosure 3 in No. 69.

M. Pichon and M. Millières-Lacroix to Vice-President of Council of Administration of Ethiopian Railway Company.

M. le Vice-Président,
Paris, le 27 Mars, 1907.
SA Majesté l'Empereur Ménélek a fait demander au Gouvernement Français de vouloir bien vérifier si, à un moment quelconque, il a été fait mention sur les registres de la Compagnie Impériale des Chemins de Fer Éthiopiens d'un achat d'obligations ou d'actions effectué pour le compte du Gouvernement Éthiopien.

M. Lavy, Commissaire du Gouvernement auprès de votre Société, déclare, dans son dernier rapport en date du 22 Mars, 1907, que la vérification à laquelle il s'est livré n'a fait apparaître nulle part dans vos écritures la trace d'une opération de cette nature.

D'autre part, une Commission composée des représentants de MM. les Ministres des Finances, des Affaires Étrangères et des Colonies, a été spécialement constituée en vue d'étudier la situation de la Compagnie.

Cette Commission, désireuse d'assurer l'achèvement par une entreprise Française du Chemin de Fer Éthiopien, a envisagé successivement toutes les combinaisons susceptibles d'assurer un fonctionnement normal de votre Société.

Aucune n'a pu être retenue. Aucune, en effet, ne semblait devoir donner des résultats satisfaisants dans la pratique. De plus, toutes étaient viciées dans leur principe même, car elles impliquaient la consécration officielle d'un État de fait qui s'est constitué sans l'approbation du Gouvernement.

Par suite, la Commission, dans sa séance du 16 Mars dernier, et après avoir entendu vos explications, a été amenée à vous demander si la meilleure solution des difficultés actuelles ne consisterait pas pour votre Conseil d'Administration à provoquer lui-même la liquidation judiciaire de la Société.

Vous avez déclaré qu'il vous paraissait impossible que la Compagnie pût accepter semblable solution.

En présence de votre déclaration, le Gouvernement se voit dans l'obligation de faire toutes réserves sur les conséquences qui peuvent résulter pour la Compagnie de son refus d'entrer dans la voie qui lui est indiquée.

Dès à présent, il est établi par les rapports de M. Lavy en date du 8 Septembre, 1906, 6 Février, 7 et 13 Mars, 1907, que vous avez contracté une série d'emprunts et passé, à leur occasion, divers contrats sans l'autorisation préalable et nécessaire du Ministre des Colonies, contrevenant ainsi aux dispositions de la Convention du 6 Février, 1902.

En conséquence, nous croyons devoir vous impartir un délai de trois mois pour prendre les mesures imposées par la situation irrégulière dans laquelle s'est placée la Compagnie.

Passé ce délai, la Compagnie Impériale des Chemins de Fer Éthiopiens serait exposée à subir les sanctions que comportent les irrégularités dont est entachée sa gestion.

Recevez, &c.
Le Ministre des Affaires Étrangères,
(Signé) S. PICHON.

Le Ministre des Colonies,
(Signé) MILLIÈS-LACROIX.

Inclosure 4 in No. 69.

M. Pichon and M. Millières-Lacroix to Liquidator of Ethiopian Railway Company.

Paris, le 24 Décembre, 1907.

VU la lettre du Ministre des Colonies à M. le Vice-Président du Conseil d'Administration de la Compagnie des Chemins de Fer Éthiopiens en date du 14 Février, 1907, par laquelle, sans préjuger des sanctions que pourraient comporter les faits, le Ministre des Colonies a notifié à la Compagnie que diverses opérations d'emprunts ont été faites par elle en violation de l'Article V, paragraphe 3, de la Convention du 6 Février, 1902, approuvée par la Loi du 3 Avril suivant;

Vu la lettre du Ministre des Affaires Étrangères et des Colonies à M. le Vice-Président du Conseil d'Administration de la Compagnie Impériale des Chemins de Fer Éthiopiens en date du 27 Mars, 1907, par laquelle les Ministres ci-dessus désignés :

1. Ont notifié à la Compagnie qu'il est dès à présent établi par les rapports de M. Lavy, Commissaire du Gouvernement, en date des 8 Septembre, 1906, 6 Février, 7 et 13 Mars, 1907, que la Compagnie a contracté une série d'emprunts et passé à leur occasion divers contrats sans l'autorisation préalable et nécessaire du Ministre des Colonies, contrevenant ainsi aux dispositions de la Convention du 6 Février, 1902;

2. Ont impart, en conséquence des faits ci-dessus rappelés, un délai de trois mois à la Compagnie pour prendre les mesures imposées par la situation irrégulière dans laquelle elle s'est placée, délai à l'expiration duquel la Compagnie Impériale des Chemins de Fer Éthiopiens serait exposée à subir les sanctions que comportent les irrégularités dont est entachée sa gestion;

Considérant que le délai ci-dessus impart est expiré à la date du 27 Juin dernier;

Considérant qu'antérieurement à cette date, et même depuis cette date, les irrégularités relevées dans la gestion de la Compagnie n'ont pas été couvertes;

Décident qu'un nouveau délai de quinze jours est impart à la Compagnie Impériale des Chemins de Fer Éthiopiens pour prendre telles mesures qu'elle jugera opportun en vue de régulariser sa situation administrative.

A l'expiration du dit délai, la Compagnie sera exposée à subir telles sanctions que de droit.

Le Ministre des Affaires Étrangères,
(Signé) S. PICHON.

Le Ministre des Colonies,
(Signé) MILLIÈS-LACROIX.

Inclosure 5 in No. 69.

M. Vacher to President of Tribunal of Commerce.

M. le Président.

Paris, le 14 Novembre, 1907.

J'AI l'honneur de vous adresser, sous forme de note que je remets à M. le Ministre des Finances et à M. le Ministre des Colonies, le rapport complémentaire concernant les solutions qui peuvent être apportées à la liquidation judiciaire de la Compagnie Impériale des Chemins de Fer Éthiopiens.

Dès l'origine, la solution d'un concordat pur et simple—la Compagnie étant chargée d'achever la ligne jusqu'à Adis-Abeba et de l'exploiter—a été écartée par le Gouvernement, le passé de cette Société, les fautes d'administration qui ont été accumulées au cours de sa brève existence, ne la désignaient pas pour bénéficier à nouveau des sacrifices que l'État doit s'imposer pour permettre l'achèvement de l'entreprise du chemin de fer, œuvre dont l'intérêt au point de vue national, motive l'intervention de la France.

Les Pouvoirs Publics se proposent de favoriser la constitution d'une Société nouvelle au capital de 15,000 actions, avec émission de 40 millions de francs en obligations. Ce capital de 55 millions recevrait un intérêt de 3.50 à 4 pour cent garanti par l'État, et la Société nouvelle reprendrait tout l'actif de la liquidation judiciaire, y compris la dîme que les négociations de M. Klobukowski ont fixé à 4 pour cent *ad valorem*.

En échange de cette cession, il m'a été proposé—à titre de communication verbale—rien n'étant fixé définitivement :

1. Une annuité de 330,000 fr., garantie par l'État, pendant soixante-quinze ans.
2. Soixante pour cent des bénéfices nets de la Société future après prélèvement sur ces bénéfices des charges suivantes :—

	Fr.
1. Annuité versée à l'Éthiopie	115,000
2. Annuité aux créanciers actuels	333,000
3. Annuité des capitaux nouveaux	2,125,000
Total des charges privilégiées	2,570,000

La moitié de ces 60 pour cent serait réservée aux actionnaires actuels.

Ce projet comportait la réduction du passif actuel à 35 pour cent, c'est-à-dire la réduction de chaque obligation à 100 fr., portant intérêt à 2 pour cent ; l'amortissement du capital et le service de cet intérêt auraient été assurés par l'annuité de 330,000 fr.

Ce système entraînerait des inégalités inadmissibles entre les créanciers, et ne peut être accepté sur ce point de détail, mais il est entendu que la répartition de l'annuité en question, conformément à la loi, ne souffrira pas de difficultés.

La critique la plus grave porte sur l'insuffisance de l'annuité offerte comme prix de l'actif à céder. J'ai tâché, dans la note suivante, de montrer avec preuves à l'appui l'importance de cet écart, et de motiver un relèvement qui, me semble-t-il, serait de nature à donner une satisfaction plus équitable à tous.

Note.

Toutes les solutions que présente la liquidation judiciaire doivent être ramenées à deux types, abstraction faite des nombreuses modalités qui peuvent les différencier—

1. Ou la Compagnie actuelle reste en possession de son actif et continue à l'exploiter, sauf à se procurer les capitaux nécessaires pour maintenir cette exploitation ;
2. Ou la Compagnie actuelle vend son actif à une Société nouvelle qui achèvera l'œuvre entreprise.

Laissons de côté la première combinaison qui n'entre pas dans les vues du Gouvernement.

Du moment qu'il s'agit d'une "vente," un des éléments importants—le plus intéressant pour les propriétaires actuels—est, tout d'abord, la valeur de ce qu'ils sont appelés à céder.

Négligeons tout ce qui ne présente pas d'intérêt pour l'acquéreur, c'est-à-dire les frais de constitution et d'administration de la Société, les frais de contrôle des travaux,

les charges du capital, &c., dépenses nécessaires à coup sûr, mais qui n'entrent pas dans la valeur "matérielle" pour ainsi dire, de l'outil industriel à vendre. Cet "outil" a coûté :

	Fr.
Travaux de construction effectivement payés.	25,726,742
Terrains et bâtiments	901,599
Matériel d'exploitation	1,314,637
Approvisionnements	250,000
Total	28,192,972
Concession et accessoires (valeur des terrains concédés—500 mètres de chaque côté de la ligne—du 90 kilom. à Diré-Daoua) apportés pour 4,000,000 fr., réduits de 50 pour cent	2,000,000
Études et travaux amorcés pour la deuxième section, portée au bilan pour 916,421 fr., réduits à	307,022
Total	30,500,000

En réduisant de cette estimation les 3 millions largement suffisants pour remettre la ligne et le matériel actuels en parfait état, on arrive à une valeur réelle, incompressible, de 27,500,000 fr. C'est évidemment cette valeur qui passera du patrimoine du vendeur dans l'actif de l'acquéreur.*

Il n'est pas question, dans les circonstances actuelles, d'exiger un prix équivalent à la valeur cédée. Bien moins, puisque l'État préside au contrat à intervenir et le garantit, il n'est pas admissible un seul instant que ce contrat revête au détriment des créanciers de la Compagnie actuelle les apparences d'une spoliation imposée. On ne peut pas oublier que si l'État a déjà donné à cette Compagnie une subvention de 11 millions, la Convention de 1902 a été le prétexte des difficultés diplomatiques dont la Compagnie a été la victime indirecte, et que les clauses de cette même Convention, la soumettant étroitement à l'action de l'État, lui enlevaient tout crédit et tout moyen d'achever son entreprise. La Compagnie n'a pas seule, vis-à-vis de ses créanciers, la responsabilité de la déconfiture actuelle, et, dès lors, l'État peut imposer la cession de la ligne, mais à la condition élémentaire que les créanciers actuels soient désintéressés dans la limite de la valeur actuelle de leur gage.

Or, qu'offre la Société nouvelle en échange de l'actif que la Compagnie Impériale va lui apporter ?

1. Une annuité de 330,000 fr., garantie par l'État, pendant soixante-quinze ans.
2. Soixante pour cent des bénéfices nets de la ligne future, après prélèvement des charges privilégiées, s'élèvent à 2,570,000 fr., étant bien entendu que l'État, garant de ces charges, récupérera tout d'abord sur les exercices rémunérateurs les avances que lui auront imposées les exercices déficitaires.

Examinons la valeur de ces deux éléments :

1. Annuité de 350,000 fr.

La valeur actuelle de soixante-quinze annuités de 350,000 fr. au taux de 5 pour cent—et ce taux est modéré quand il s'agit d'une exploitation industrielle, telle qu'un chemin de fer colonial—est de 6,430,040 fr. 10 c.

Une annuité de 465,000 fr. vaut actuellement 9,060,511 fr. 5 c.

Cette partie du prix a d'ailleurs le très grand avantage d'être certaine, puisqu'elle est garantie par l'État.

Par comparaison, le sacrifice que fait l'État en faveur de la Compagnie nouvelle est de trois annuités, d'ensemble 2,240,000 fr., valant, au même taux, 43,646,332 fr.

L'annuité de 115,000 fr. servie à Ménélék, étant la contre-partie de la Concession Abyssine et de tous ses avantages (dîme de 4 pour cent, terrains, &c.), qui passent à la Société nouvelle, est évidemment garantie au profit de cette Société. La Compagnie actuelle n'a eu de sa Concession que les charges (l'Empereur est encore débiteur de 484,000 fr., et ne paie pas les transports des cartouches qui lui sont actuellement faites par la liquidation judiciaire). Elle n'a jamais perçu sa dîme ; elle n'a rien reçu de l'Abyssinie que le droit de construire—en se ruinant.

* Le chiffre de 27,000,000 fr. correspond à 46 pour cent de ce que la Compagnie a effectivement dépensé ; or, les "gaspillages" même estimés très largement n'ont pas atteint 10,000,000 fr. Aucune Compagnie n'aurait construit la ligne actuelle sans une dépense d'au moins 45,000,000 fr.

2. Valeur probable des 60 pour cent des bénéfices futurs.

Cette valeur est tout à fait aléatoire et à très longue échéance ; nous allons essayer de la dégager des études déjà faites par la Compagnie actuelle, et en réduisant autant qu'il est possible la part d'aléas que comportent des prévisions de cette nature, d'ailleurs nous joignons à l'appui de ce résumé les chiffres sur lesquels sont basées nos estimations. Malgré leur aridité, il est nécessaire de consulter ces chiffres pour se rendre compte de la sincérité des résultats auxquels nous arrivons (voir Annexes I, II, III, et IV).

I. Tonnage.

La Compagnie Impériale transporte actuellement sur la première section (Djibouti-Diré-Daoua) 12,000 tonnes. Sur ce total, 4,000 tonnes représentent le trafic de la région de Harrar ; 8,000 tonnes celui de la région d'Adis-Abeba.

Dès que la deuxième section (Diré-Daoua-Adis Abeba) sera construite et exploitée, le chemin de fer doit absorber le trafic actuel par caravanes, et le tonnage sera porté très vraisemblablement à 23,000 tonnes pour la première section et à 17,000 tonnes pour la seconde (voir Annexe I).

II. Recettes.

Les tarifs qui forment la base des recettes mentionnées dans cette étude ont été établis par la Société en tenant compte de la nécessité de proportionner les prix de transport à la valeur marchande des produits importés ou exportés.

Les recettes ainsi fixées s'élèvent à 4,875,690 fr. (voir Annexe II), soit une recette kilométrique de 6,283 fr.

III. Dîme.

Aux recettes provenant du trafic, il convient d'ajouter celles de la dîme de 4 pour cent *ad valorem* sur les marchandises transportées par la voie ferrée.

La valeur de ces marchandises s'élèvera à environ 25 millions de francs, se décomposant comme suit :—

IMPORTATION.

	Fr.
2,200 tonnes de sel à 12 fr.	26,400
900 „ de pétrole à 210 fr.	189,000
3,400 „ de matériaux de construction à 100 fr.	340,000
580 „ de machines, outils, à 2,500 fr.	1,450,000
120 „ de meubles à 1,000 fr.	120,000
2,500 „ d'aboudjedid à 2,500 fr.	6,250,000
3,000 „ de divers à 500 fr.	1,500,000

EXPORTATION.

	Fr.
6,000 tonnes de café à 1,000 fr.	6,000,000
75 „ d'ivoire à 20,000 fr.	1,500,000
800 „ de cire à 2,000 fr.	1,600,000
1,700 „ de peaux à 2,000 fr.	3,485,000
1,725 „ de divers à 500 fr.	862,500
2,600 têtes de bétail à 100 fr.	260,000
23,000	23,582,900

Ce qui représente, à raison de 4 pour cent, une somme de 943,315 fr.

IV. Bénéfices nets d'Exploitation.

	Fr.	c.
A une recette kilométrique de 6,283 fr. correspond, pour les dépenses, un coefficient d'exploitation de 74 pour cent, ce qui laisse un bénéfice net de 26 pour cent sur 4,875,690 fr.	1,267,679	40
A cette somme il faut ajouter la dîme, soit 4 pour cent sur 23,582,900 fr.	943,315	00
Total des bénéfices nets	2,210,995	40

V. Situation financière.

En acceptant le chiffre de 465,000 fr. proposé par le liquidateur judiciaire pour les annuités à servir aux créanciers de la Société actuelle, voici quelles seraient exactement les charges financières de la Société nouvelle :—

	Fr.	c.
Indemnité annuelle à l'Éthiopie	115,000	00
Annuité afférente au nouveau capital social	525,000	00
Annuité afférente aux obligations nouvelles	1,600,000	00
Annuité afférente au passif de la liquidation judiciaire	465,000	00
Ensemble	2,705,000	00
Les bénéfices nets de l'exploitation étant, comme il vient d'être dit, pour la première année qui suivra l'ouverture de la deuxième section, de	2,210,995	40
La garantie de l'État Français ne jouera par suite qu'à concurrence de	494,004	40

Les prévisions ci-dessus sont faites, semble-t-il, sans exagération. En effet, on a porté à 23,000 tonnes seulement le rendement des deux sections réunies de la voie ferrée, alors que la première transporte déjà 12,000 tonnes. Le chemin de fer desservira cependant plus du double du parcours actuel et atteindra les régions fertiles de l' Abyssinie, et il ne paraît pas trop osé de prévoir, après cinq ans d'exploitation, une recette kilométrique de 7,000 fr. environ.

Le trafic se développera progressivement au fur et à mesure de la création de centres industriels et de l'exploitation des richesses naturelles du pays, et l'on peut considérer que, la construction du deuxième tronçon une fois achevée, si les recettes d'exploitation, évaluées comme ci-dessous à 4,875,690 fr. par an, restent stagnantes pendant environ cinq années, qu'elles iront ensuite en progressant progressivement d'un dixième tous les ans, et cela jusqu'à ce qu'elles aient doublé.

Ce ne sera, en définitive, étant donné que la période de construction durera quatre ans, qu'à la fin de 1926 (voir Annexe III) que ce résultat pourra être atteint.

Il résulte des calculs établis d'après ces prévisions (voir Annexe IV)—

1. Que l'exploitation sera en déficit jusqu'en 1919 ;
2. Que la garantie de l'État sera par suite mise à contribution, et cela à concurrence d'une somme de 494,004 fr. par année, et d'une somme totale de 2,794,731 fr. pour la période finissant le 1^{er} Janvier, 1919 ;
3. Qu'à partir du 1^{er} Janvier, 1919, la Société entrera dans une période d'exploitation rémunératrice (les recettes kilométriques atteignant 8,167 fr.), et qu'il lui faudra alors un peu plus de quatre années pour réaliser les bénéfices nécessaires au remboursement à l'État du montant de ses avances, s'élevant à 2,794,731 fr. ;
4. Que ce n'est qu'à partir de l'exercice 1923 que des bénéfices pourront être réalisés au profit de la Société nouvelle et de l'ancienne.

Mais il est impossible de rien prévoir avec certitude au sujet de cette progression du trafic, et ce n'est peut-être que cinq ou six ans plus tard que ces bénéfices seront acquis.

Reportons à 1927 les résultats supposés de l'exercice 1923, nous aurons alors la situation suivante (Annexe V) :—

	Fr.	c.
Bénéfices nets évalués à	1,305,232	00
Qui se répartiront comme suit :—		
40 pour cent à la Société nouvelle, soit	554,097	80
60 pour cent à l'ancienne Société, soit	831,139	20

Les actionnaires du nouveau groupe recevront par rapport à leur capital de 15 millions en sus de l'intérêt annuel garanti par l'État un dividende supplémentaire de 3.70 fr. pour cent.

Les anciens actionnaires, qui représentent un capital de 18 millions de francs, recevront un dividende unique de 1.90 fr. pour cent.

Et les créanciers de la liquidation judiciaire, auxquels il est dû de 34 à 35 millions, auront à recevoir, en sus de l'annuité de 1.33 fr. pour cent garantie par l'État, un dividende de 1.33 fr. pour cent.

En résumé, l'acquéreur offre à la Compagnie Impériale :

	Fr.
1. Une annuité garantie de 350,000 fr., valent	6,430,040
2. Dans vingt ans, et pendant une cinquantaine d'années, une annuité aléatoire de 800,000 fr. environ, dont la valeur actuelle est de	5,707,700
Total	12,137,740

Le liquidateur demande au moins :

	Fr.	c.
1. Une annuité garantie de 465.000 fr., dont la valeur actuelle est de ..	9,060,511	5
2. La part de bénéfices aléatoires estimée à 800,000 fr. à recevoir dans vingt ans, et pendant cinquante-cinq ans, qui vaut actuellement	5,707,700	0
Total	14,768,211	5

Et cela en échange d'un actif dont la valeur industrielle actuelle est de 27,500,000 fr.

Ce chiffre de 485,000 fr. est proposé parce qu'il permettrait d'éviter toute réduction du capital-crédence, et toute idée de faillite serait ainsi écartée.

En effet, le passif global de 34,600,000 fr. pourrait être converti en titres nouveaux de deux types différents :

1. Les 83,988 obligations actuelles, première et deuxième séries, en titres de 300 fr.
2. Les 14,853 obligations actuelles, troisième série, en titres de 250 fr.
3. Les créances ordinaires en titres de l'un ou de l'autre type suivant leur montant, de façon à réduire au minimum les "rompus," c'est-à-dire les reliquats inférieurs à 250 fr.

Le passif s'élèverait dans ces conditions à 34,874,400 fr. et pourrait être amorti intégralement par 75 annuités de 465,000 fr.

Il serait intéressant pour les créanciers de procéder à cet amortissement, non par voie de tirage au sort, mais uniformément par fractions annuelles ; les titres de 300 fr., de beaucoup les plus nombreux, recevant un coupon de 4 fr. chaque année, ceux de 250 fr. un coupon de 3 fr. 55 c. fixe et garanti.

En outre, ces titres recevraient une part proportionnelle et variable des 69 pour cent de bénéfices attribués à l'ancienne Société.

Ces "bons de liquidation," qui se placeraient par leur nature spéciale entre les obligations à revenu variable et les actions de jouissance, plus semblables à ce dernier genre de valeur, sans pouvoir cependant leur être assimilés, auraient le grand avantage pour les porteurs d'être négociables en Bourse et d'être cotée immédiatement d'après leur coupon fixe et garanti de 4 ou 3.55 fr., c'est-à-dire entre 90 et 110 fr.

Quand la période de prospérité s'ouvrirait pour la Compagnie nouvelle des chemins de fer, et qu'un intérêt variable, mais peut-être important, viendrait s'ajouter au coupon fixe, la valeur de ces titres suivrait exactement les fluctuations des bénéfices de l'entreprise, pour diminuer lentement et s'éteindre dans soixante-quinze ans, en même temps que la Concession elle-même.

Tous les créanciers seraient ainsi sur un pied d'égalité absolue, et devant la certitude du remboursement intégral garanti par l'État de leur créance, n'auraient aucune plainte à formuler, la durée du remboursement étant d'ailleurs compensée par la part des bénéfices aléatoires importants qui leur est réservée.

Nous sommes conduits à des résultats sensiblement équivalents si nous examinons l'intérêt immédiat que présente pour la Société future la possession de la ligne actuelle, c'est-à-dire les économies qu'elle réalisera sur le transport des matériaux de construction de la deuxième section.

En supposant l'emploi des rails de 25 kilom. de traverses métalliques appropriées, l'ensemble des transports de matériel proprement dit (rails, traverses, chaux, ciment, ponts métalliques, bâtiments) est évalué à 56,800 tonnes.

Si l'on tient compte également des transports de vivres et des transports de toute nature que nécessitera forcément la présence sur les chantiers d'un nombreux personnel Européen, il n'est pas exagéré de prévoir un tonnage total de 60,000 tonnes.

Au prix de 20 centimes la tonne kilométrique, prix accepté par l'Administration des Colonies dans l'estimation des frais de construction des 110 derniers kilomètres de la première section, ce sera une dépense de 160,000 × 0.20 × 310 fr., soit 3,720,000 fr. que la Société nouvelle n'aura pas à acquitter, puisqu'elle sera son propre transporteur.

En tenant compte enfin du droit de péage que la Société nouvelle devrait avoir à payer pour le matériel roulant nécessaire tant pour la construction que pour l'exploitation de la deuxième section, on peut évaluer à plus 4 millions de francs les économies qui seraient réalisées dans les dépenses de premier établissement.

L'acquisition d'un "outil industriel" qui rend immédiatement un tel service à son acquéreur peut vraiment sans exagération se payer dès la première année par une annuité de 465,000 fr., représentant exactement 1 fr. 89 c. pour cent de la valeur du capital.

Autre Appréciation.

Valeur de la ligne actuelle, si elle conserve son autonomie dans l'exploitation future.

Il est tellement certain que la rémunération offerte au nom de la Société future est de beaucoup inférieure à la valeur cédée qu'il suffit de mettre en regard la combinaison esquissée par un groupe d'actionnaires,* que nous avons laissée de côté au début de cette note, uniquement parce qu'elle n'entre pas dans les vues du Gouvernement, pour montrer combien l'actif actuel de la Compagnie peut être plus avantageusement employé au profit des actionnaires et des créanciers.

Dans cette combinaison, non seulement la Compagnie Impériale ne demande aucune garantie à l'État, mais elle verse, au contraire, au Protectorat les redevances imposées par la Convention de 1902, tout au moins sur la partie Française de la ligne ; elle se contente de sa vieille dîme inscrite dans l'Acte de Concession de 1894 et réduite à 4 pour cent à la suite des négociations de M. Klobukowski. La Compagnie consentirait même à partager les produits de cette dîme avec la Société future proportionnellement aux tonnages et aux longueurs respectives des deux lignes ; par contre l'indemnité servie à Ménélék devrait être supportée proportionnellement aussi par les deux sections.

Une Société future se constituerait en bénéficiant de la garantie d'intérêt de l'État Français, pour la construction et l'exploitation de la deuxième section. La Compagnie Impériale est prête à lui céder—

	Fr.
1. Les études et travaux amorcés pour cette section à 50 pour cent, soit environ	500,000
2. La concession qu'elle tient de ses apporteurs, à 50 pour cent également, soit	1,000,000
Total	1,500,000

Il suffirait d'ajouter à ces 1,500,000 fr. un prêt à 5 pour cent de 2 millions de francs que pourrait lui consentir la Société future sur les 55,000,000 fr. qu'elle doit se procurer† pour que la Compagnie Impériale se mit aussitôt en mesure de réparer en ligne et d'acheter le complément du matériel roulant nécessaire pour effectuer le transport des matériaux de construction de la deuxième section.

	Fr.
Le trafic actuel représente 1,200,000 fr. de recettes, qui sont absorbées par les dépenses, le coefficient d'exploitation étant de 100 fr.	1,200,000
Le transport, pour le compte de la Société future, augmenterait par an les recettes de	1,000,000
Total	2,200,000

Ce total correspond à une recette kilométrique de 7,600 fr., qui, avec un coefficient d'exploitation de 73 pour cent, donne un bénéfice net de .. .	594,000
Il faut ajouter la dîme de 4 pour cent, qui sur les marchandises actuellement transportées, atteindrait	560,000
(Nous ne supposons pas cette dîme prélevée sur les transports de la Société future.)	

Total des bénéfices nets 1,154,000

A déduire :—	Fr.
1. Intérêt du prêt de 2,000,000 fr.	100,000
2. Redevance (10 pour cent de 5,000 à 8,000 fr.) à payer au Protectorat	65,000
3. Prorata de l'annuité de Ménélék	45,940
	210,940
Reste net	943,060

Ce chiffre de 943,060 fr. est celui des quatre années de construction de la deuxième section. Dès que celle-ci sera ouverte à l'exploitation, les prévisions établies ci-dessus portant le trafic de la première section à 23,000 tonnes et les recettes de ce trafic

* Ce groupe ne fait partie ni du Trust ni du Conseil d'Administration, ni de la Direction de la Compagnie.

† Dans les 55,000,000 fr. futurs figurent évidemment 3,000,000 ou 4,000,000 fr. destinés à remettre la ligne actuelle en état ; les fonds seraient donc affectés à la même destination.

à 2,200,000 fr. également. Mais la dîme de 4 pour cent, appliquée alors à toutes les marchandises, estimées à 23,582,900 fr., donnerait 943,316 fr.

	Fr.
Défalcation faite de la part réservée sur cette dîme à la Société future, il resterait pour la Compagnie Impériale	524,613
Les bénéfices d'exploitation restent alors de	594,000
Les bénéfices nets s'élèveraient à	1,118,613
A déduire—	Fr.
L'intérêt et l'amortissement du prêt de 2,000,000 fr. ..	100,000
Redevance du Protectorat	65,000
Prorata de l'annuité Ménélek	45,940
	210,940
Il resterait net	907,673*

et cela dès l'année qui suivra le concordat. Il est inutile de souligner que ces prévisions faites pour un laps de temps très prochain sont beaucoup plus sûres que les prévisions reportées sur les années 1925 et suivantes.

Ainsi, en conservant simplement pour eux le patrimoine qui est leur gage, les créanciers ont sous la main une annuité de 900,000 fr. Or, il suffit d'une annuité de 817,564 fr. pour assurer, non seulement le remboursement intégral du passif pendant la durée de la concession actuelle de la Compagnie Impériale, mais encore le service d'un intérêt fixe de 2 pour cent sur le principal.

Les créanciers ne sauraient donc considérer comme un contrat équitable la cession de ce patrimoine moyennant soixante-quinze annuités de 330,000 fr., qui n'auraient l'amortissement que du tiers du passif et un intérêt de 2 pour cent sur ce tiers.

Et la solution proposée par les actionnaires devait être prise en considération ; il serait facile d'ajouter qu'elle ne comporte pas du tout dans son application le maintien de la Compagnie Impériale, en tant qu'administration et direction, même de la ligne actuelle. La direction du chemin de fer tout entier passerait à la Société nouvelle ; il suffirait pour respecter les droits de chacun de maintenir dans la comptabilité l'autonomie de la première section, qui serait gérée par la Société future, sauf rémunération et contrôle, pour le compte des ayants droit actuels (commissaires à l'exécution du concordat, commissaires aux comptes).

Cette unité de direction et d'administration ferait disparaître toutes les objections d'ordre moral qui ont été faites contre certains éléments de la Société Impériale actuelle, et certaines tendances qui lui ont été reprochées dans le passé.

Conclusions.

1. Les chiffres de la proposition faite au nom de la Société future sont inacceptables, parce qu'ils sont trop en-dessous de la valeur réelle de l'actif à céder. Cette proposition, telle qu'elle est présentée, n'a aucune chance d'être approuvée par les ayants droit actuels.
2. En conservant le principe de la solution proposée, on ne peut espérer un accord qu'en élevant l'annuité garantie par l'État à 465,000 fr., appliquée au remboursement intégral du passif, les intérêts fixes étant remplacés, comme l'amortissement des actions, par une répartition de 60 pour cent des bénéfices futurs à faire entre les ayants droit.
3. Le respect des droits de propriétaires actuels, c'est-à-dire le maintien de l'autonomie de la première section, avec ses charges et ses avantages, sans aucun nouveau sacrifice pour l'État, réserve aux créanciers, et peut-être aux actionnaires, un sort plus favorable que la solution intermédiaire indiquée comme moyen tenue par le liquidateur.

* En poursuivant l'examen des prévisions pour les exercices ultérieurs, et en prenant pour base de comparaison la progression des recettes établies suivant les Annexes III et IV, et défalcation faite de la redevance due au Protectorat ainsi que la part de l'indemnité annuelle à verser à l'Éthiopie, on arrive aux résultats suivants (voir Annexe V) :—

	Fr.
Année 1912	907,073
.. 1918	1,097,792
.. 1927 et suivantes	1,520,900

Inclosure 6 in No. 69.

M. Vacher to President of Seine Tribunal of Commerce.

DANS un précédent Rapport supplémentaire j'ai eu l'honneur de vous faire connaître le premier projet présenté au nom de la Société future, appelée à racheter l'actif de la liquidation judiciaire de la Compagnie Impériale des Chemins de Fer Éthiopiens, et à lui succéder dans son entreprise et sa concession. Les conditions essentielles de ce projet comportaient comme prix de rachat soixante-quinze annuités de 330,000 fr. et le partage des bénéfices nets, après prélèvement de toutes les charges de la Société future, sur le pied de 60 pour cent pour la liquidation et de 40 pour cent pour cette dernière Société. J'ai analysé dans ce Rapport les conditions de cette proposition, qui me paraissent inacceptables pour les ayants droit que je représente, et suggéré deux autres combinaisons plus favorables aux intérêts des créanciers et des actionnaires. En dernier lieu, j'ai fait remarquer que l'actif réel, reconnu exact, de la liquidation, étant d'au moins 25 millions, existant actuellement en état de productivité immédiate, il serait équitable, si l'on attribue aux capitaux nouveaux une rémunération garantie par l'État de 4.375 pour cent pour les obligations et de 3.71 pour cent pour les actions, de donner aux 25 millions actuellement engagés, mais aussi indispensables à l'œuvre commune, une rémunération de 2.35 pour cent prélevée sur les seuls bénéfices futurs du tronçon construit par les propriétaires actuels, ce qui correspondait à une annuité de 587,500 fr.

Ces critiques et ces démonstrations n'ont pas été complètement inutiles, puisqu'à la date du 18 courant il m'a été transmis un projet modifié et approuvé par le Ministère des Finances, dont je crois devoir mettre le texte intégral sous vos yeux.

Je n'ai pas été appelé à prendre part aux délibérations où ont été rédigées certaines clauses de ce texte, qui ne tiennent pas suffisamment compte des rapports juridiques entre actionnaires et créanciers d'une liquidation judiciaire. Je suis convaincu d'ailleurs qu'il suffira de signaler ces quelques points de détail pour qu'ils soient modifiés.

Ainsi, ce projet propose aux créanciers (35 millions), après réduction apparente de 50 pour cent, une annuité de 402,580 fr. 40 c., soit 1.15 pour cent, et aux actionnaires (17,500,000 fr.), débiteurs de 100 pour cent, un intérêt de 1 pour cent à peu près équivalent, avant tout partage de bénéfices. C'est évidemment méconnaître les rapports de créanciers à débiteurs.

Bien plus, lors du partage des bénéfices, le projet propose 60 pour cent aux actionnaires et 40 pour cent aux créanciers. Étant donné la différence des capitaux—35 millions et 17 millions et demi—cette proposition équivaut à donner 1 fr. 14 c. pour cent aux créanciers et 3 fr. 42 c. pour cent aux débiteurs. Le maintien de l'égalité stricte entre ces deux groupes conduirait à attribuer 67 pour cent aux créanciers et 35 pour cent aux actionnaires. Mais le traitement des uns et des autres ne saurait être égal ; tant que le passif ne sera pas remboursé—et il ne le sera jamais au terme de ce projet—les actionnaires doivent se contenter d'une fraction minime de la part réservée à leur Société.

En ce qui concerne la réduction du passif, il avait été question d'attribuer à la liquidation judiciaire, soit une annuité suffisante pour amortir le passif à raison de 66 pour cent en servant un intérêt de 1.50 pour cent à ce passif réduit—soit une annuité suffisante pour amortir le passif à 50 pour cent en lui servant un intérêt de 2 pour cent. Les deux sommes diffèrent peu, et le choix entre ces deux combinaisons devrait être laissé, semble-t-il, aux créanciers principaux intéressés.

La réduction imposée aux créanciers dépassera beaucoup 50 pour cent—qui équivalent à une annuité représentant 17 millions et demi, soit 864,000 fr. En effet, si les obligations ont été admises à peu près au taux d'émission il ne faut pas oublier que chaque titre avait droit à un intérêt de 15 fr. L'annuité correspondant à l'amortissement normal et contractuel des obligations était de 1,700,000 fr. environ. L'annuité exacte, déduction faite de la fraction afférente à la prime d'amortissement non admise, nécessaire pour amortir intégralement tout le passif, obligations et créances, serait de 1,768,038 fr. L'annuité obtenue n'étant que de 402,580 fr., il est évident que le passif est réduit à 8 millions, sans qu'au point de vue mathématique, il importe d'examiner dans quelle proportion cette somme sera répartie au capital et aux intérêts.

Il n'y a donc pas lieu de s'applaudir outre mesure du résultat obtenu quant à

[1557]

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présent, bien que mes efforts aient porté la part des créanciers de soixante-quinze annuités de 330,000 fr. à quatre-vingt-quatorze annuités de 402,500 fr.; mais la réduction inéquitable imposée par ce projet aux créanciers ne doit s'expliquer, paraît-il, que par l'impossibilité de grever le Budget de l'État d'une garantie trop lourde.

Si cette raison était la seule, il serait trop facile de montrer que cette garantie pourrait être allégée d'un million environ, sans que le but final poursuivi cesse d'être atteint, à savoir, l'achèvement de la ligne de Djibouti à Adis Abeba et son exploitation normale par une Compagnie Française.

Les Rapports de M. Barrois, Inspecteur-Général des Ponts et Chaussées, qui vient d'effectuer une mission dans ce but, indiquent comme prix approximatif des 470 kilom. à achever, 35 millions. Cette appréciation confirme les propres études de la Compagnie actuelle qui fixent 38 millions environ. Il faut y ajouter 2 à 3 millions pour la réfection de la ligne construite et l'on arrive ainsi au total de 40 à 42 millions, de toutes façons indispensables.

Le projet approuvé par le Ministère prévoit l'émission de 40 millions d'obligations à 4 pour cent d'intérêt et amortissement garantis par l'État, soit une garantie de 1,734,680 fr.

Il serait facile, en conservant l'existence de la Société actuelle, de réduire son capital de moitié et d'émettre un million d'actions nouvelles de priorité, à souscrire par le groupe d'administrateurs choisis et agréés par le Gouvernement dont la garantie serait ainsi limitée à 1,850,000 fr. environ et ne serait jamais mise en jeu, si la nouvelle redevance promise par Ménélek est effectivement perçue.

Il est évident que, dans ces conditions, les créanciers n'hésiteraient pas à voter à la Compagnie nouvelle un concordat, sans aucune garantie de l'État, leurs dividendes étant suffisamment assurés par les bénéfices—exploitation et redevance comprises—que, dans un délai de quatre ans, la Société ne peut pas ne pas faire, avec des charges aussi réduites.

Faut-il ajouter que les fautes reprochées à la Compagnie actuelle sont des fautes des administrateurs qu'elles incombent à telles ou telles personnalités et ne sauraient être imputées à un être moral, anonyme et fictif, qui est une création de la loi?

Faut-il ajouter encore que si, parmi les actionnaires actuels certains groupes ont pris depuis longtemps une position qui est préjudiciable aux intérêts généraux, et ont poussé à des actes regrettables, dont on peut appréhender la répétition, rien n'est plus facile que d'enlever aux anciennes actions—en les transformant en titres de simple jouissance—toute prépondérance dans la gestion de la Société à l'avenir. Il n'est pas nécessaire, pour cela, d'exproprier les actionnaires, d'imposer une vente à des conditions extrêmement onéreuses et pour le vendeur et pour l'État, mais singulièrement avantageuses pour l'acquéreur.

Je touche ici le point le plus délicat de l'analyse que j'ai le devoir de vous faire : il s'agit de l'économie du projet concernant le nouveau capital actions; c'est évidemment le point le plus faible—d'autres diront peut-être le vice capital de cette combinaison. En effet, ce capital actions, de 15 millions, dont l'intérêt à 3 fr. 50 c. et l'amortissement sont garantis par l'État, ne constitue plus des actions au sens juridique du mot, puisqu'il ne court aucun risque. Et l'on peut même se demander avec quelle sorte de Société, tout à fait anormale, dans le droit Français, l'État pousse la liquidation judiciaire à traiter de la cession de son actif.

Mais ce capital actions qui est déjà assuré de sa rémunération et de son remboursement va devenir propriétaire immédiat de tout l'actif de la Compagnie Impériale des Chemins de Fer Éthiopiens, soit de plus de 25 millions. Comme la charge grevant cet actif est réduite à quatre-vingt-quatorze annuités de 402,580 fr., dont la valeur actuelle est de 7,969,550 fr., il est évident qu'en souscrivant son titre, chaque actionnaire nouveau va devenir co-propriétaire d'une valeur supérieure au montant nominal de son action. Il a de plus l'intérêt et l'amortissement garantis par l'État. Il est garanti deux fois : beaucoup d'actionnaires ordinaires s'estimeraient heureux de ne l'être qu'une.

Or, l'État n'hésite pas, paraît-il, à inscrire à son budget, pour cette garantie supplémentaire d'actionnaires, déjà pourvus d'un actif équivalent à leur capital, une annuité de 546,560 fr., supérieure de plus d'un troisième à celle qui est allouée à la Société qui a dépensé utilement plus de 50 millions pour créer l'œuvre dont les "sauveurs" recueilleront les fruits.

Il est certain que si les règles ordinaires du droit devaient être appliquées au contrat à intervenir, le nouveau capital actions, suffisamment équilibré par l'actif libre

qui lui est transmis, ne devrait obtenir aucune garantie d'État et que, par contre, les 546,560 fr., prévus à son profit dans le projet analysé, devraient être appliqués à la Société venderesse puisqu'ils sont précisément l'équivalent de ces 15 millions dont la cession lui est imposée.

[On a été appelé au Ministère à ce moment.]

Je n'avais pas fini mon Rapport quand j'ai été appelé au Ministère des Finances, où j'ai été reçu par le Directeur du Mouvement des Fonds, et, après quelques minutes, par M. le Ministre des Colonies en personne.

Ce dernier me dit avoir entre les mains le décret de déchéance, signé par les Ministres, et que le Président de la République devait signer le lendemain matin. Il m'a donné jusqu'au soir pour me mettre en règle, c'est-à-dire accepter les conditions offertes par le Gouvernement.

Si je n'accepte pas les offres du Gouvernement, la déchéance sera prononcée, suivie de la confiscation et mise en régie de la Compagnie, et les intérêts des créanciers, dont j'ai la garde, se trouveront soumis au bon vouloir des Pouvoirs Publics qui pourraient bien ne pas se montrer aussi généreux que dans le projet exposé dans ce Rapport.

C'est pourquoi j'ai l'honneur de vous présenter la requête ci-jointe.

Le 20 Janvier, 1908.

A M. Chapuis, Président du Tribunal de Commerce de la Seine, Juge-Commissaire de la Liquidation Judiciaire de la Compagnie Impériale des Chemins de Fer Éthiopiens.

Je, Soussigné, M. Vacher, demeurant à Paris, 9, Rue Dupuytren, agissant comme Liquidateur Judiciaire définitif de la Compagnie Impériale des Chemins de Fer Éthiopiens, a l'honneur de vous prier de vouloir bien l'autoriser à signer l'engagement dont la teneur suit :—

"Le Liquidateur Judiciaire de la Compagnie Impériale des Chemins de Fer Éthiopiens s'engage à céder et à transporter à la Société nouvelle qui va être formée avec l'appui du Gouvernement Français pour exploiter et achever la ligne de Djibouti à Adis-Abeba, Compagnie qui devra justifier de l'agrément du Gouvernement Français tant pour l'approbation de ces statuts que pour la dite cession :

"Tout l'actif de la liquidation judiciaire (ligne, matériel, concession, études, &c., à l'exception des deniers en caisse et des créances) moyennant :

"(1.)

"(a.) Le paiement comptant d'une somme en espèces suffisante pour faire face—

"(1) Aux frais de la liquidation judiciaire ;

"(2) Au paiement du passif privilégié, en vertu d'un privilège général, tel que les contributions et droits dus par la liquidation judiciaire ;

"(3) Au paiement des dettes de la liquidation judiciaire (loyers, assurance, personnel, commandes de fournitures faites par le Liquidateur Judiciaire et non encore réglées).

"Quatre-vingt-quatorze annuités garanties par le Protectorat et subsidiairement par l'État de 402,580 fr. 40 c.

"(b) Une part sur les bénéfices nets futurs de la ligne calculés ainsi qu'il suit :—

"Sur les recettes nettes d'exploitation il sera prélevé d'abord :

"(1.) L'intérêt à 4 pour cent et l'amortissement du capital obligations de la Compagnie nouvelle, soit 1,734,680 fr.

"(2.) L'intérêt à 3½ pour cent et l'amortissement du capital actions de la Compagnie nouvelle, soit 546,560 fr.

"(3.) Somme suffisante pour rembourser les avances faites par l'État à titre de garantie, avec les intérêts à 3.75 pour cent—les intérêts se capitaliseront annuellement et les remboursements seront imputables d'abord sur les intérêts.

"(4.) Les sommes dues par la Compagnie au Gouvernement Éthiopien ou à l'Empereur Ménélek à un titre quelconque, soit une annuité de 115,000 fr., et 15 pour cent sur les recettes nettes de l'exploitation, dépassent 6,000 fr. par kilomètre.

"Le surplus des bénéfices, avant toute autre affectation quelconque, sera réparti entre les deux Sociétés dans la proportion de 40 pour cent pour la Société nouvelle et 60 pour cent pour la Société ancienne.

"(2.)

"Les actionnaires de l'ancienne Société auront par préférence le droit de souscrire un cinquième du capital nouveau actions et obligations, aux conditions du Syndicat d'Emission.

"(3.)

"Il sera établi, dans des conditions à déterminer, un contrôle permanent pour veiller aux intérêts de l'ancienne Compagnie et pour répartir, conformément aux conditions du concordat, entre ses actionnaires et ses créanciers les bénéfices visés au (b), paragraphe 4, de la présente note.

"(I.)

"L'annuité de 402,580 fr. 40 c. dont il a été parlé ci-dessus sera employée à servir aux créanciers de l'ancienne Compagnie un intérêt de 2 pour cent sur leurs créances réduites à 50 pour cent, et à rembourser le capital de ces créances sur le pied de 50 pour cent en quatre-vingt-quatorze ans par voie de tirages au sort.

"(II.)

"La part des bénéfices (60 pour cent) afférente à la Société ancienne sera répartie entre les actionnaires et les créanciers, conformément aux lois qui régissent l'état de liquidation judiciaire."

Ordonnance.

Nous, Juge-Commissaire de la Liquidation Judiciaire de la Compagnie Impériale des Chemins de Fer Éthiopiens,

Vu la requête qui précède,

Vu les Rapports du Liquidateur Judiciaire et après avoir entendu ce dernier en ses explications verbales :

Autorisons le Liquidateur Judiciaire de la Compagnie Impériale des Chemins de Fer Éthiopiens à signer l'engagement dont la teneur est rapportée en la dite requête.

Donné au Tribunal de Commerce de la Seine, le

Inclosure 7 in No. 69.

M. Mole to M. Farran.

Monsieur,

Paris, le 29 Janvier, 1908.

JE m'empresse de vous adresser le renseignement que vous me demandez sur la situation actuelle de la Compagnie Impériale des Chemins de Fer Éthiopiens.

Je suis autorisé par M. le Juge-Commissaire, afin d'éviter les conséquences désastreuses d'une déchéance dont se trouve menacée cette Société, à céder à l'amiable son actif à une Société nouvelle sous réserve que les conditions de cette session seront sanctionnées par une loi.

La cession serait faite moyennant le paiement de quatre-vingt-quatorze annuités garanties par l'État, que je suis parvenu à faire fixer à 402,580 fr. chacune au lieu du chiffre de 330,000 fr., qui était proposé primitivement.

La liquidation judiciaire (créanciers et actionnaires) recevrait, en outre, une participation de 60 pour cent dans les bénéfices de la ligne future, après prélèvement des charges financières de la Société.

Veuillez, &c.

(Pour le Liquidateur Judiciaire),
(Signé) E. MOLE.

[5247]

No. 70.

Mr. Hohler to Sir Edward Grey.—(Received February 15.)

(No. 5.)

Adis Abeba, January 25, 1908.

Sir,

I HAVE the honour to report that I took advantage of an audience this morning with the Emperor Menelek to make personally strong representations about the recent incident between Abyssinian and Italian troops in the neighbourhood of Lugh. I said that His Majesty's Government had learnt of it with the greatest surprise and concern, and they considered if such things were done with impunity in one place there was no reason why the example would not be followed on their frontiers also; but that they had been well satisfied on learning from the Italian Government the very proper and conciliatory attitude His Majesty was taking over the matter. It was in this sense that my Italian colleague had requested me to speak.

The Emperor answered that it had given him the greatest trouble and annoyance, and that he intended to investigate it thoroughly. According to the latest information he had received, Fitaurari Asafa and his troops had moved into the territory of the Rawein, which was maintained to be Abyssinian territory, for the purpose of collecting tribute—cattle and so forth—of which they were in absolute need, as they were without provisions and starving. At the moment of their encounter with the Italian troops they were encamped inside a zariba, and it is alleged that the Italians commenced the attack, firing on the zariba, without having any preliminary parley by which a resort to arms might have been easily averted.

The Italian Government are beginning negotiations for the settlement of their Benadir frontier, and I expect the Fitaurari Asafa and his force were sent to that district with a view to collect tribute and thus establish a claim over the district, which is one in dispute.

If this could have been done without bloodshed it would have seriously prejudiced the Italian claims; and consequently, whichever side commenced the fight, I think the Abyssinian Government has good cause to deplore the actual facts.

Count Colli has so far been thoroughly satisfied with the conduct of the Abyssinian authorities and the protestations of the Emperor Menelek.

I have, &c.

(Signed) T. B. HOHLER.

[5320]

No. 71.

Treasury to Foreign Office.—(Received February 15.)

Sir,

Treasury Chambers, February 14, 1908.

THE Lords Commissioners of His Majesty's Treasury have had before them Mr. Mallet's letter of the 21st November, 1907, on the subject of the supply of interpreters to His Majesty's Legation in Abyssinia.

In reply, I am to state for the information of Secretary Sir Edward Grey that my Lords offer no objection to the proposal that one or two interpreters should be taken into training at Adis Abeba, if His Majesty's Minister can provide for their education there; but they could not consent to any scheme which involved sending the men in question away to complete their education elsewhere.

Before any definite arrangement is made it would be desirable to ascertain what the Legations of the other Powers do to meet the difficulty of finding qualified interpreters.

I am, &c.

(Signed) G. H. MURRAY.

[3183]

No. 72.

Sir Edward Grey to Count Bosdari.

Sir,

Foreign Office, February 15, 1908.

I HAVE the honour to transmit to you herewith, in accordance with the request made to me by his Excellency the Marquis di San Giuliano, a copy of the Agreement recently concluded between the Emperor Menelek and His Majesty's Chargé d'Affaires

[1557]

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at Adis Abeba respecting the southern frontier of Abyssinia.* Copies of the maps accompanying the Agreement will be forwarded as soon as they have been reproduced.

I have the honour to request that these documents may be considered as confidential until they have been laid before Parliament in the usual course.

I have, &c.
(Signed) E. GREY.

[5556]

No. 73.

Sir F. Elliot to Sir Edward Grey.—(Received February 17.)

(No. 2. Africa.)

Sir,

Athens, February 12, 1908.

WITH reference to my despatch No. 1, Africa, of the 31st ultimo, I have the honour to inclose herewith a translation of a Royal Decree, published in a number of the "Official Gazette," dated the 8th instant but issued to-day, sanctioning the Statutes of the Hellenic Community of Adis Abeba.

I have, &c.
(Signed) F. ELLIOT.

Inclosure in No. 73.

Royal Decree, dated the 22nd January (4th February), 1908.

(Translation.)

UPON the proposition of Our Minister of the Interior We confirm the Statutes, consisting of forty-seven Articles, of the Hellenic Community at Adis Abeba, in Abyssinia, and We order that within the first three months of each year the accounts of the Corporation be submitted to the Ministry of the Interior, reserving to Ourselves to recall Our confirmation if any Article of the Statutes be not observed, or if an account be not rendered within the term stipulated.

The same Minister shall publish and execute the present Decree.

(Signed) GEORGE.
(Countersigned) N. P. KALOGEROPOULOS,
Minister of the Interior.

Athens, January 22 (February 4), 1908.

[5760]

No. 74.

Sir J. Harrington to Sir Edward Grey.—(Received February 17.)

(No. 12.)

(Telegraphic.) P.

Adis Ababa, February 14, 1908.

THE French are extremely anxious that their Minister should be doyen here. From our point of view an Italian doyen would be preferable. I am therefore of opinion that it is in our interest that before M. Brice, the new French Minister, arrives, the Italian Representative should be given the rank of Minister.

As Brice arrives the 22nd instant, if you agree, early representations might be made to the Italian Government.

[5696]

No. 75.

Sir E. Egerton to Sir Edward Grey.—(Received February 18.)

(No. 8. Africa.)

Sir,

Rome, February 14, 1908.

YESTERDAY, Signor Tittoni spoke to the Chamber for two hours on the subject of Italian Somaliland. His speech, of which I transmit a summary by Mr. Akers

* Southern Frontier of Abyssinia Treaty, December 6, 1907.

Douglas, is a clear and precise "exposé" of the situation in Benadir of the frontier question at issue and of the Government's policy and proposals in regard to their African Colonies.

In view of the recent frontier incident, the Minister's statement has been awaited with great interest. His Excellency's firm language and full explanations appear to have satisfied the interpellating Deputies, and made a favourable impression on the large majority of the Chamber.

The Extreme Left, however, presented a motion for the adjournment of the debate, urging that the state of affairs in Benadir is not sufficiently clear, and that this country is not convinced of the utility of Italian colonization or expansion in Africa, and deprecating, in view of Italy's limited financial resources, any further increase of the military forces of the Colonies. A Socialist Deputy urged the liquidation of Benadir or its cession to the Crown. The motion was rejected by 237 votes to 44.

Two Bills are now before the Chamber. The first, for the administration of Benadir, was approved by the Senate last year. The second proposes two separate Budgets for Erythræa and Benadir. (Up to the present the Budget for these Colonies has figured in that of the Ministry of Foreign Affairs.) The State's contribution to the civil and military expenditure of the Colonies is increased from 7,230,800 to 7,830,800 lire, with a further increase of 550,000 lire from the year 1909; 350,000 lire are to be devoted to the increase of native troops in Benadir, and 250,000 lire to public works. The Benadir forces are to be augmented to 3,500 men, with 46 Italian officers; and it is further proposed to occupy certain points on the River Uebi Scebeli, to establish posts along the coast, to organize a service of communications with the interior, and to maintain a more effective watch upon the contraband trade in arms.

I have, &c.
(Signed) EDWIN H. EGERTON.

Inclosure in No. 75.

Summary of Signor Tittoni's Speech in the Chamber on February 13, 1908.

THE Minister for Foreign Affairs began by referring to the Lugh incident, which had raised again the whole problem of the Colony of Benadir. Much that had been said and written lately had only excited anxiety, without in any way clearing the atmosphere. Whilst some competent persons had made useful observations, a quantity of sensational criticisms had been passed by irresponsible persons, who find in an African incident a favourable opportunity for raising imaginary ministerial crises. It was necessary to expose clearly and precisely the state of affairs, and he would deal exclusively with Benadir, speaking of Erythræa when the Bill now before Parliament came up for discussion.

All the information received from the Acting Governor of Benadir and the Minister at Adis Abeba he (M. Tittoni) had communicated to the public. He vigorously denied the truth of any of the petty accusations made of falsification or delaying of news received; his responsibility in colonial affairs being what it was, such attacks were absurd; he had several times been called upon to render an account of his work, and had always spoken frankly, without any subterfuge or fiction, and he challenged his adversaries to propose a vote and invite the Chamber to express its opinion.

Signor Tittoni then announced the further news received since those already published: Fitaurari Asfan, the leader of the Abyssinians at Bardalè, denied that he had made any attack on the caravans, declaring that he had only raided the Rahanonins, and that he himself had been unexpectedly attacked by Italians and Somalis, without any warning from the Italian Commander. Another version, however, was that whilst Captain Molinari was conferring with the Fitaurari, the askaris had come to blows with the Abyssinians, who could not then be restrained. Menelek had declared that the Fitaurari would, nevertheless, be severely punished for having made raids into the Lugh territory, but as to the Bardalè conflict, the facts should be properly established. Signor Tittoni, whilst defending the action of the Italian troops, said he had ordered the Governor of Benadir to make a minute inquiry to establish the truth of the attack. Two reports had been received from Captain Bongiovanni, from which it appeared that the latter went to Lugh with some troops in order to see to the

restitution by the Somali tribes of goods robbed from Benadir caravans; and in the second report, dated the 10th December, from Lugh he said it was rumoured that the Abyssinians were about to make a raid on Revai and Buracaba. He added that, whilst taking all precautions in case of grave troubles (which he feared), he intended to exercise the greatest prudence and avoid any encounter, if possible. His instructions, as well as those of Captain Molinari, were to preserve friendly relations with the Abyssinians. As to how the conflict arose, nothing more could be said until explanations were forthcoming.

The Minister then gave a detailed account of the Lugh question since the establishment of that post in 1895. It was only after the disastrous war of 1896 that Menelek laid any claim to that district. By the arrangement agreed upon between the Emperor and Major Nerazzini in 1897, Lugh was to remain an Italian commercial post guaranteed against raids; but at the same time the proposed frontier line left Lugh outside Italian territory. It was agreed that the *status quo* should be left unchanged, and though the frontier remained actually undefined, both Governments accepted the proposed line. An attempt was made to obtain from Menelek a recognition of Italy's position at Lugh by a proper Convention, and Major Ciccodicola was instructed in 1897 and 1898 to insist on Lugh coming within Italian territory. But the Emperor did not wish to speak any more of the frontier. Subsequently, in 1906, further suggestions were made that the district might be made a neutral zone, but Menelek insisted that the frontier was at Bardera. In 1906 and 1907 the Emperor assured both Signor Martini and Captain Colli that the *status quo* would be maintained and the Italians could remain quietly at Lugh.

Shortly before the recent incident Menelek had begun to insist on the settlement of the frontier question, and Captain Colli had been instructed by the Italian Government to open negotiations at Adis Abeba on the basis of a line leaving Dolo and following the 4th parallel to the Uebi Scebeli, the line of 1897, to the coast, and joining the Anglo-Italian frontier line of the 5th May, 1894, and constituting a neutral zone above Lugh safeguarded from raids. Menelek, said Signor Tittoni, had agreed to negotiate on this basis, which would assure to Italy the Dolo route to Lugh and Lugh itself, with all its territory; but he desired a pecuniary compensation, recalling the precedent of 1900 for the Erythrean frontier. Italy had agreed to discuss such an indemnity, but making reserves as to the precedent of 1900 (when the financial questions were settled with Ethiopia) and upholding her claim to Lugh. This was how matters now stood. Abyssinian raids had taken place contrary to the wishes of Menelek, as also in English and French territory, and Italy had, like England and France, always protested. There had always been a garrison at Lugh and Menelek had never objected.

The Minister then replied to accusations of delay in establishing radio-telegraphic stations in Benadir. The Ministry of Marine had undertaken this charge after the law passed in July, 1907. The material was already on its way, and the installation, it was hoped, would be made by next April. The submarine cable between Mogadisco and Lamu would cost 7 millions.

He then traced the history of the negotiations, as yet unsuccessful, for the formation of a new Benadir Commercial Company, and the attempts made to come to terms. Meanwhile, the work of the Carpanetti Company and the Italian Colonial Society showed that cotton can be cultivated in Benadir without a financial guarantee on the part of the State. He explained the instructions given to the Governor of Benadir, which are to strengthen the position on the coast, to proceed gradually by pacific penetration to occupy certain points on the Uebi Scebeli, to establish commercial agents at Dolo and in Arussi, to watch the caravan routes, to preserve order, and encourage commercial and agricultural development as far as possible. Commerce was progressing, in spite of the lack of roads, insecurity of caravans, want of capital, of ports and of navigation services. The occupation of the river must be effected without delay, so as to prevent the Somalis from obtaining arms and intriguing with the Mullah. The number of native troops, 2,442 with 30 Italian officers, was to be increased, and he proposed to study the possibility of a colonial agreement between those States having limitrophe possessions for the establishment of a standard rate of pay for "Askaris." He wished he could arrange to visit the Italian Colonies himself.

The Minister then dealt with the proposals for public works, the credits for which, by the new Bill, would be considerably increased. The construction of a port at Brava was urgent, also the establishment of a direct service of navigation between Italy and Benadir (provided for by the new Maritime Conventions Bill), and the line

between Aden and Zanzibar. Negotiations were also going on with England for the erection of a lighthouse at Guardafui.

He was of opinion that in time Benadir, with its excellent climate, great fertility and natural resources, would be suitable for Italian colonization; but there was a great deal to be done first. There was every prospect of successful results from the cultivation of cotton: four concessions had already been given to private enterprise.

[5779]

No. 76.

*International Ethiopian Railway Trust and Construction Company
to Sir Edward Grey.—(Received February 18.)*

Sir,

34, Clement's Lane, London, February 17, 1908.

IN further reference to our letter of the 12th February, we have the honour to inclose herewith, for your information, copy of a letter dated the 11th of this month, addressed by the Judicial Liquidator to the Vice-President of the Ethiopian Railway Company, which affords, as you will observe, further conclusive proof that it was under a direct threat of the declaration of the *déchéance* of the Company, "qui était irrévocablement décidée par les pouvoirs publics," that the liquidator accepted the solution enforced by the Government and formally applied to the Juge-Commissaire for leave to consent to the transfer of the whole of the assets of the Railway Company to the new Company on terms which were, in his judgment, quite inadequate.

We have, &c.

(Signed)

OCHS BROTHERS,

Managing Directors.

Inclosure in No. 76.

M. Vacher to the Vice-President of the Ethiopian Railway Company.

M. le Vice-Président,

Le 11 Février, 1908.

J'AI l'honneur de vous accuser réception de votre lettre du 10 Février, me priant de vous faire connaître ce qu'il y a de fondé dans les nouvelles publiées dernièrement au sujet de la cession de l'actif de la liquidation judiciaire.

Vous savez que les recettes de la ligne, exploitée sous mon contrôle depuis l'ouverture de la liquidation judiciaire, suffisent aujourd'hui à faire face, à peu près, aux dépenses d'exploitation, mais qu'elles ne laissent aucune marge de bénéfices, et cette situation ne saurait s'améliorer tant que ne sera pas achevée l'œuvre entreprise par la Compagnie.

Pour construire la deuxième partie de la ligne (Diré-Daouah à Adis-Abeba) d'une longueur de 466 kilom. environ, des capitaux considérables devraient être engagés, et il y a lieu de considérer que la Compagnie, ayant en vain recherché les concours financiers qui lui étaient nécessaires, paraît vouée à l'impuissance, si elle est réduite à ses seules ressources.

La Compagnie se trouve, au surplus, sous le coup d'une menace de *déchéance* pour avoir, au cours des deux dernières années, contracté, sans l'autorisation du Gouvernement, divers emprunts nécessaires au paiement des coupons des 100,000 obligations qu'elle avait en circulation.

La *déchéance*, si elle venait à être prononcée, entraînerait la confiscation de l'actif de la liquidation judiciaire. Déjà la mise en demeure précédant cette mesure et contre laquelle j'ai fait toutes réserves de droit, a été notifiée tant au liquidateur judiciaire qu'à la Compagnie. Devant l'imminence de cette *déchéance*, qui était irrévocablement décidée par les pouvoirs publics, j'ai dû, afin de sauvegarder les droits des créanciers, me résoudre à adopter la seule autre solution qui m'était offerte: celle de se rallier à un projet de réorganisation de l'entreprise ayant l'agrément des Gouvernements Français et Éthiopiens.

L'intervention d'un groupe financier était depuis quelque temps prête à se produire, mais à la condition *sine quâ non* que l'achèvement du chemin de fer et son exploitation seraient confiés à une Société nouvelle libre de toutes attaches avec le passé, et à laquelle devrait être cédé l'actif de la Compagnie Impériale des Chemins de Fer Éthiopiens.

Le prix qui m'a été primitivement offert, était de soixante-quinze annuités de

[1557]

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330,000 fr. garanties par l'État, avec une participation de 60 pour cent dans les bénéfices de la Société future.

Les actionnaires étaient opposés à cette session, et en ce qui me concerne, j'ai cherché pour le cas où les événements le rendraient inévitable à obtenir une plus large rémunération au profit des créanciers de la liquidation judiciaire.

Mes efforts dans ce sens ont heureusement abouti, puisque les annuités proposées ont été portées au nombre de quatre-vingt-quatorze au lieu de soixante-quinze, et leur importance à 402,580 fr., au lieu de 330,000 fr.

Ces premiers résultats acquis, une nouvelle injonction du Gouvernement ayant eu lieu à l'expiration du délai fixé par la mise en demeure, la cession de l'actif s'imposait; elle est, en effet, comme il vient d'être dit, la seule solution de nature à écarter la déchéance. J'ai en conséquence exposé la situation à M. le Président du Tribunal de Commerce, Juge-Commissaire à la liquidation judiciaire, et, par Ordonnance en date du 20 Janvier, j'ai été autorisé à prendre l'engagement de céder l'actif, sous réserve que les conditions de la cession seraient approuvées par une loi spéciale.

La cession de l'actif de la liquidation judiciaire (ligne, matériel, Concession, études, &c.), après avoir été sanctionnée par le Parlement, pourra être ratifiée par les actionnaires au moyen d'un concordat présenté par ces derniers à leurs créanciers. Les clauses de ce concordat peuvent réserver aux actionnaires certains avantages, notamment une participation dans les 60 pour cent des bénéfices de la Société future et le droit de souscrire un cinquième du capital nouveau.

Au cas de refus de concordat la dévolution de l'actif s'opérant, en vertu de la loi, aux seuls créanciers, je serai fatalement amené à procéder à la réalisation au profit de ces derniers seulement.

Les conditions de la cession sont d'ores et déjà arrêtées en principe. Elle comportent la réduction du passif à 50 pour cent des sommes admises par le liquidateur judiciaire et les rémunérations ci-après :

1. Quatre-vingt-quatorze annuités garanties par l'État de 402,580 fr. 40 c.;
2. Une part sur les bénéfices nets futurs de la ligne calculés ainsi qu'il suit:—

Sur les recettes nettes d'exploitation il sera prélevé d'abord :

1. Une annuité de 115,000 fr. au profit de Ménélik.
2. L'annuité de la Compagnie Impériale.
3. L'intérêt et l'amortissement du nouveau capital obligations.
4. L'intérêt et l'amortissement du nouveau capital actions.

Le surplus sera partagé à raison de 60 pour cent pour la Compagnie Impériale et 40 pour cent à la Société future.

Telles sont les grandes lignes de ce projet qui ne sera définitivement réalisé qu'après l'approbation indispensable du Parlement.

En attendant et pour sauvegarder ses intérêts sur l'actif grevé à son profit d'un droit de préemption, le groupe financier qui constituera la Société future a demandé que M. le Gouverneur de Djibouti et M. le Consul de France à Diré-Daouah soient investis de la haute surveillance et du contrôle supérieur sur la ligne sans immixtion dans la gestion financière et technique qui reste dans les conditions établies par la liquidation judiciaire.

J'ai accepté que ces messieurs fussent chargés de cette surveillance, qui me paraît être tout naturellement dans les attributions des Représentants de la France aux Colonies et à l'étranger, mais j'ai repoussé toute mesure analogue à une mise sous séquestre ou à une mise en régie, la Compagnie n'étant pas encore expropriée.

Veuillez, &c.
(Signé) VACHER.

[5760]

No. 77.

Sir E. Grey to Sir J. Harrington.

(No. 2. Treaty.)

(Telegraphic.) P.

QUESTION of doyen.

Following refers to your telegram No. 12 of the 17th instant:—

The King has raised you to the rank of Envoy Extraordinary and Minister Plenipotentiary from the 31st ultimo. You should formally notify the Emperor Menelek to

Foreign Office, February 18, 1908.

this effect, and at the same time request that your appointment may be officially recognized from the date of your notification by His Majesty (consult p. 139 of Foreign Office List for 1907, Rule IV of Vienna Congress). The result of this will be to make you doyen of the Diplomatic Corps at Adis Abeba.

Your credentials, which were dispatched on the 14th instant, should reach you on the 8th March next.

We could hardly take steps as regards the relative precedence of the French and Italian Representatives without exposing ourselves to the charge of breaking the spirit of the Agreement of the 13th December, 1906, towards France, even if it were not too late to do so.

[4018]

No. 78.

Sir Edward Grey to Count de Bosdari.

Sir,

Foreign Office, February 18, 1908.

I HAVE the honour to acknowledge the receipt of the Marquis di San Giuliano's note of the 1st instant, relative to the question of the proposed extension of the French railway from Dire Dawa to Adis Abeba, and to express my thanks to his Excellency for this communication.

I have noted that the Italian Government take exception to the proposed clause in the Franco-Abyssinian Agreement, whereby the Ethiopian Government appear to maintain the right of levying transit and toll dues on goods carried by routes other than the railway, and I shall be interested to learn what reply is returned by the French Government to that objection.

I have, &c.
(Signed) E. GREY.

[5811]

No. 79.

Sir E. Egerton to Sir Edward Grey.—(Received February 19.)

(No. 9. Africa.)

Sir,

Rome, February 16, 1908.

IN continuation of my immediately preceding despatch, Africa, I have the honour to report that the Minister for Foreign Affairs has now received further information from the Acting Governor of Benadir and the Italian Agent in the Arussi district on the recent frontier incident and the nature of the Abyssinian raid.

From these reports, of which I inclose the text in to-day's "Italie,"* it appears that, being urgently begged by the Somali tribes to come to their assistance against the Abyssinian raiders (numbering some 2,000 men), Captain Bongiovanni found it necessary to make an attack.

The Bill for the administration of Benadir, as well as a Bill for the prorogation of the 1903 Law for Erythrea was passed yesterday. Slight attacks were made on the Colonial policy, and objection was made to the provisional state of affairs and the continual prorogation of measures for Erythrea. Various amendments were rejected.

Signor Martini, former Governor of Erythrea, made a long defence of that Colony, and called for national support. Its resources, he said, were great: trade and industry, though small, was increasing; cotton could be grown there as well as in Benadir; and there was some prospect of finding gold.

The Minister for Foreign Affairs reaffirmed the Government's policy. The questions of the administration of the two Colonies were too complex to be solved separately. He referred to the work of the Anglo-Italian Company in cultivating cotton. Immense works were needful in order to obtain any results, and studies were being made of the means by which the Government could render assistance.

I have, &c.
(Signed) EDWIN H. EGERTON.

* Not printed.

[5020]

No. 80.

Sir Edward Grey to Count de Bosdari.

HIS Majesty's Secretary of State for Foreign Affairs presents his compliments to the Italian Chargé d'Affaires, and, with reference to Count Bosdari's note of the 12th instant, has the honour to observe that the further communication on the subject of the protection of Ethiopian interests in Palestine, alluded to in Sir E. Grey's note of the 4th instant, was contingent on the later explanation which the Marquis di San Giuliano, in his Excellency's note of the 26th December, 1907, stated that the Italian Government proposed to give.

As it appears from Count Bosdari's note under reply that no such communication is at present contemplated by the Italian Government, Sir E. Grey is of opinion that any observations on his part are for the moment unnecessary.

Foreign Office, February 19, 1908.

[5320]

No. 81.

Sir Edward Grey to Sir J. Harrington.(No. 17.)
Sir,*Foreign Office, February 20, 1908.*

WITH reference to Mr. Hohler's despatch No. 61 of the 15th October, 1907, relative to the supply of interpreters for His Majesty's Legation at Adis Abeba, I transmit to you herewith copy of a letter from the Treasury on the subject.*

I request that you will forward to me your observations on this communication, and that you will furnish me with the information desired by the Lords Commissioners in the last paragraph of their letter.

I am, &c.
(Signed) E. GREY.

[5055]

No. 82.

Memorandum communicated privately to French Ambassador, February 21, 1908.

WITH reference to the Memorandum communicated by his Excellency the French Ambassador on the 31st January last, relative to the position of the International Ethiopian Railway Trust and Construction Company as creditors of the Imperial Ethiopian Railway Company, Sir E. Grey has the honour to inform M. Cambon that he notes that the French Government maintain that the official Liquidator is alone qualified to examine the claims of creditors of the Railway Company. Sir E. Grey desires, however, to observe that the claim of the Trust Company for special treatment has throughout been based on their position, as it has been affected by the direct action of the French Government; that the Liquidator, a French subordinate official, is not in a position, nor possessed of powers qualifying him, to be the Arbitrator between his own Government and a foreign Commercial Company; and that therefore the question is one which the French Government alone is competent to, and with which Sir E. Grey still trusts they will, deal in a broad spirit of equity.

As regards the Liquidator's powers, the Trust Company have informed Sir E. Grey that that official has stated that he had no cognizance of any claim of the Trust Company for special treatment, but that in any case he could not entertain it, as a claim of such a character fell solely within the competence of the Government.

Sir E. Grey has further the honour to point out that the Trust Company do not, as seems to be thought from M. Cambon's Memorandum above referred to, base their claim for special treatment on the letter of the Minister of the Colonies of the 1st March, 1906. Their claim, put shortly, is that for several years they afforded financial support to the Ethiopian Railway Company as a commercial enterprise, and that their position as financiers of the Railway Company was known to and recognized by the French Government, which not only accepted their co-operation, but invited it and dictated the terms on which, in certain respects, that co-operation could be

* No. 71.

accepted. The letter of the 1st March, 1906, was referred to as evidence only of the truth of the Trust Company's contention. In fact, the Trust Company point out that their assistance was welcomed by the French Government while the question of entirely French control of the railway was still undecided, but when the Tripartite Agreement was initiated by the three Signatory Powers in July 1906, and French control was assured, the Trust Company was at once treated by the French Government as a factor in the railway question of which they had no, and need take no, cognizance. So much was this the case, that the French Government, in August 1906, refused permission to the Ethiopian Railway Company to raise money for interest on bonds and current expenses, which action, but for a remedy of despair, would inevitably have forced the Railway Company into immediate bankruptcy and destroyed the security for money advanced by a British Company to a French enterprise with the sanction of the French Government, as that Government had expressly stipulated that the security was not to be negotiable before the 15th October.

Finally, Sir E. Grey has the honour to call M. Cambon's attention to the fact that this security has now been definitely reduced to a fraction of its value by the recent action of the French Government in insisting on the sale of the Railway Company's assets, under threat of a forced *déchéance*, to a new Company, at a price which the official Liquidator himself considers inadequate, and which works out at far below his most conservative valuation.

In these circumstances, and taking into consideration the very grave prejudice that the Trust Company's case, if presented by them to the public opinion of this country, will cause to the confidence now felt in commercial and financial circles in this country in the security of British capital invested in French commercial enterprises, Sir E. Grey hopes that the French Government will reconsider their attitude in this matter.

February 15, 1908.

[6048]

No. 83.

Colonial Office to Foreign Office.—(Received February 21.)

THE Under-Secretary of State for the Colonies presents his compliments to the Under-Secretary of State for Foreign Affairs, and is directed by the Under-Secretary of State to transmit, for the information of Sir Edward Grey, with reference to the letter from his Department of the 10th instant, copy of a telegram from the Officer Administering the Government of the East Africa Protectorate on the subject of the disturbances at Lugh.

Downing Street, February 20, 1908.

Inclosure in No. 83.

Governor Sir J. Sadler to the Earl of Elgin.

(Telegraphic.) P.

February 19, 1908.

WITH reference to my telegram No. 9.

I have the honour to report the safe arrival at Lugh of Lieutenant Cibelli. The native troops brought back bodies of Italian officers.

There is no need for further anxiety, and the Abyssinian raiders have retired.

[6498]

No. 84.

Sir J. Harrington to Sir Edward Grey.—(Received February 24.)

(No. 13.)

(Telegraphic.) P.

Adis Ababa, February 23, 1908.

RAILWAY. I have seen Agreement regarding railway made in July by the French Minister, who informs me that the new Concession is signed. He assured me, on my inquiring particularly about the wording of the clause in the Concession exempting railway-borne goods from internal taxes, that the wording was the same as

[1557]

T

in his Agreement, viz., French Minister's letter, dated the 8th ultimo, beginning "Par contre" and ending "transit."

As I find it impossible to get a direct yes or no to any question from my French colleague, it might be advisable to make certain in Paris that the Emperor Menelek is not pledged to maintain existing internal taxes.

[5055]

No. 85.

Sir Edward Grey to Sir F. Bertie.

(No. 15. Africa.)
Sir,

Foreign Office, February 26, 1908.

WITH reference to your Excellency's despatch No. 4 of the 15th January last, relative to the claim of the Ethiopian Railway Trust and Construction Company for special treatment at the hands of the French Government, I transmit to you herewith, for your Excellency's information, a copy of a Memorandum which I have given to the French Ambassador at this Court on the subject.*

I am, &c.
(Signed) E. GREY.

[5055]

No. 86.

Foreign Office to Ethiopian Railway Trust Company.

Gentlemen,

Foreign Office, February 26, 1908.

I AM directed by Secretary Sir E. Grey to acknowledge the receipt of your letter of the 12th instant relating to your position in the affairs of the Imperial Ethiopian Railway Company.

I am to inform you, in reply, that Sir E. Grey is making further representations to the French Government on this question.

I am, &c.
(Signed) W. LANGLEY.

[6498]

No. 87.

Sir Edward Grey to Sir F. Bertie.

(No. 16. Africa.)
Sir,

Foreign Office, February 27, 1908.

WITH reference to my despatch No. 5, Africa, of the 13th ultimo, relating to the question of the Ethiopian Railway, I transmit to your Excellency herewith a copy of a telegram from His Majesty's Minister at Adis Abeba on the subject.†

With regard to the last paragraph of Sir J. Harrington's telegram, it might be advisable to ask the French Minister for Foreign Affairs whether His Majesty's Government are correct in assuming that the "interior taxes" alluded to in M. Geoffray's note of the 8th ultimo (Confidential print, Abyssinia, 9th January, section 1), refer only to road tolls and transit dues, and not to any other dues or taxes levied by the Abyssinian Government within their frontiers. I request therefore that your Excellency will take an opportunity of addressing M. Pichon in this sense.

I am, &c.
(Signed) E. GREY.

[7028]

No. 88.

War Office to Foreign Office.—(Received February 29.)

Sir,

War Office, February 28, 1908.

WITH reference to your letter of the 5th instant, I am commanded by the Army Council to transmit herewith, for the information of Sir Edward Grey, an estimate of the cost of the arms, ammunition, material for wire entanglements, sand-bags, and

* No. 82.

† No. 84.

powder for fougasses, suggested by Sir John Harrington for the defence of the British Legation at Adis Ababa against mob attack.

2. *Rifles and Ammunition.*—Thirty rifles, M.L.E., and 15,000 rounds of ammunition were forwarded to Sir J. Harrington, on payment, on the 29th September, 1906.

MACHINE Gun and Ammunition.				£	s.	d.
1 Maxim gun, complete with belts..	..	..	..	104	6	0
1 tripod, according to pattern ..	..	..	..	41	4	9
				or		
				38	4	8
10,000 rounds of ammunition and boxes ..	..	..	..	47	19	2

MATERIAL for Wire Entanglements.				..	1	12	4
2 miles of barbed wire at 16s. 2d. per mile ..	..	..	..	..	..	..	..

SUPPLY of Sand-bags and Powder for Fougasses.				20	0	0
1,200 sand-bags ..	..	..	..	12	0	0
600 lbs. of powder ..	..	..	..	0	5	6
50 fathoms of safety fuze ..	..	..	..	11	11	3
500 yards instantaneous fuze ..	..	..	..	240	0	0
Total (about) ..	..	..	..	..	..	..

3. Charges for freight and packing are not included in the above amounts.

I am, &c.
(Signed) E. W. D. WARD.

[7470]

No. 89.

Sir J. Harrington to Sir Edward Grey.—(Received March 3.)

(No. 14.)

(Telegraphic.) P.
RAILWAY.

Adis Ababa, February 29, 1908.

If the French Government will not give fair treatment to British interests in Company, it is possible that representations to King Menelek would insure them better treatment, should you wish such a course to be taken.

[7439]

No. 90.

Colonial Office to Foreign Office.—(Received March 3.)

Sir,

Downing Street, March 2, 1908.

I AM directed by the Earl of Elgin to transmit to you, to be laid before Secretary Sir E. Grey, with reference to the Foreign Office letter of the 16th November, 1907, the accompanying copy of further correspondence respecting the control of the frontier between Abyssinia and the East Africa Protectorate, from which it will be seen that the Lords Commissioners of the Treasury demur to the proposals which have been submitted to them by his Lordship.

2. Lord Elgin considers it undesirable that the frontier inspectors should be under the control of the Governor of the East Africa Protectorate, as he is afraid that in that case the tribes on the British side of the boundary would become more and more dependent upon them, and that the Government of the Protectorate would be eventually led on to assume effective administration of the districts in question—a result which his Lordship is anxious to avoid, having regard to the distance of these districts from headquarters, the possibility of the inspectors being involved in troubles with the tribes, and the necessity of the local authorities devoting all their efforts at present to the development of the more settled and civilized portions of the Protectorate.

3. So far as this Department is concerned, the principal objects which it has in view are:—

(a.) To protect the tribes on the British side of the frontier from the Abyssinian raids.

(b.) To divert into British territory the trade which is at present being exploited by

the Italians, and to secure to the East Africa Protectorate a share of the profit on this trade in the form of customs duties.

(c.) To secure that two or three British officers are placed on the frontier who will be able to furnish reliable information as to what is taking place in these little known districts.

4. It appears to Lord Elgin that these objects could be obtained by establishing the inspectors on the Abyssinian side of the frontier and placing them under the control of His Majesty's Minister at Adis Ababa. The Abyssinians, knowing that the inspectors were there in agreement with the Emperor Menelek, would no doubt recognize their authority, and raiding, it might be hoped, would practically cease. The officers themselves would be in safety among the Abyssinians, they would only require small escorts, and they would gradually get into touch with the tribes on the British side of the frontier.

5. Lord Elgin must leave it to Sir E. Grey to determine whether this plan should be adopted. If so, in accordance with what is stated in the second paragraph of the Treasury letter of the 31st January, the Lords Commissioners should be asked to approve of the salaries of the inspectors being charged to the Diplomatic and Consular Vote.

I am, &c.
(Signed) FRANCIS J. S. HOPWOOD

Inclosure 1 in No. 90.

The Earl of Elgin to Governor Sadler.

(Telegraphic.)

Downing Street, November 22, 1907.

REFERRING to my Confidential despatch of 25th October, telegraph if you concur in scheme on the whole.

Inclosure 2 in No. 90.

Governor Sadler to the Earl of Elgin.

(Telegraphic.)

[Received November 23, 1907]

MY telegram of 22nd November. I agree to scheme on the whole, making provision in estimates for next year. Will telegraph later if the Senior Officer will be detailed from here or whether I will ask your Lordship to make appointment.

Inclosure 3 in No. 90.

Colonial Office to Treasury.

Sir,

Downing Street, November 29, 1907.

WITH reference to your letter of the 12th July last, I am directed by the Earl of Elgin to request you to inform the Lords Commissioners of the Treasury that he has had under his consideration the question of the future arrangements to be made for the control of the frontier between Abyssinia and the East Africa Protectorate.

2. The employment of a frontier inspector during the last two years appears to have met with a certain measure of success, but the protection of some 400 miles of frontier is clearly beyond the powers of one man, and unless matters are placed on a more satisfactory footing, there is reason to fear that the state of chaos which existed before Mr. Zaphiro's appointment will recur, especially as during his absences from duty, whether for reasons of health or otherwise, there is no one who is able to exercise any control in the region.

3. There has been considerable lawlessness on the frontier during Mr. Zaphiro's recent absence through ill-health, and on this account, and also in view of the importance of developing the trade of the region, Lord Elgin desired that steps should be taken without delay to institute a more effective control.

4. The Governor of the East Africa Protectorate was accordingly asked to submit a scheme for this purpose, and his proposals, with certain modifications which have been

made after consultation with persons who are acquainted with the local conditions, are embodied in the correspondence of which a copy is inclosed.* The scheme in its present form differs in several respects from that which was put forward by Sir C. Eliot (referred to in the despatch to the Governor of the 24th July) at the time of the completion of the survey of the boundary, and so far as can be foreseen, there will be a saving of about 1,000l. a-year as compared with Sir C. Eliot's scheme.

5. Their Lordships will observe from the correspondence that advantage has been taken of the presence in this country of His Majesty's Minister in Abyssinia to consult him in the matter, and that both he and the Secretary of State for Foreign Affairs approve of the proposals which have been made. With regard to Sir J. Harrington's anticipation, that the increased revenue which is likely to be derived from the adoption of the proposed arrangement will more than cover the cost of carrying it out, I am to observe that a telegram has been received from the Chargé d'Affaires at Adis Ababa, saying that the tribes would be glad to pay tribute in return for protection, that over 2,000l. worth of illicit ivory has been confiscated by Mr. Zaphiro within the last eight months, and that, although it would probably be best to leave trade free for the first year or two, it may be expected that the customs returns will shortly be considerable.

6. His Lordship will be glad if the Lords Commissioners are able to sanction the scheme on the lines proposed.

I am, &c.
(Signed) R. L. ANTROBUS.

Inclosure 4 in No. 90.

Treasury to Colonial Office.

Sir,

Treasury Chambers, December 23, 1907.

I HAVE laid before the Lords Commissioners of His Majesty's Treasury Mr. Antrobus' letter of the 29th ultimo on the subject of the revised arrangements proposed by the Earl of Elgin for the control of the frontier between Abyssinia and the East Africa Protectorate.

In reply, I am to request that my Lords may be furnished with fuller and more specific information as to the advantages which will result to the two Protectorates from the measures proposed for controlling this frontier.

On the information at present before them, my Lords are of opinion that it is not desirable to increase the expenditure now being incurred on this service.

I am, &c.
(Signed) G. H. MURRAY.

Inclosure 5 in No. 90.

Colonial Office to Treasury

Sir,

Downing Street, January 10, 1908.

I AM directed by the Earl of Elgin to acknowledge the receipt of your letter of the 23rd December, 1907, and to state more fully the reasons which have led him to ask the Lords Commissioners of the Treasury to sanction the scheme for the better control of the frontier between Abyssinia and the East Africa Protectorate.

2. As Sir C. Eliot stated in a despatch written in 1903, "the Abyssinians are not a stationary element, but are flowing southwards with a fairly rapid aggressive advance. They are not precisely an expansive or progressive race, but, somewhat like the Turks, they destroy everything and provide for nothing. Hence they require continual movement in order to find new tribes to raid, new forests to cut down, and will not settle until compelled. At present various causes restrain them on the north, east, and west; hence the steady current to the south. We have heard of their raiding parties in Karamojo and to the north of Kenga; if no barrier is erected we may hear of them any day at Fort Hall or Mumia's."

* To Governor, Confidential, July 24; ditto, Telegraphic, August 26; Governor, Telegraphic, September 18; to Governor, Confidential (1), October 25; to Foreign Office, Confidential, October 25; Foreign Office, November 16; ditto; to Governor, Telegraphic, November 22; Governor, Telegraphic, November 23, 1907.

3. In a despatch written in June last the British Chargé d'Affaires in Adis Ababa expressed the opinion that the proposals made by Sir. C. Eliot in the despatch mentioned above for the better control of the frontier "would be most timely and fitting at the present moment, and that all the arguments he there adduced in support of his proposals still hold good, and have, in fact, gained greatly in weight from the progress of events."

4. This opinion is shared by Sir J. Harrington, and Lord Elgin has no doubt that it is a correct one. The Soudanese Government are taking steps to tighten their hold on the frontier between the Soudan and Abyssinia, so that there will be more inducement than ever for the Abyssinians to raid and establish themselves to the south of the imperfectly-protected frontier between the East Africa Protectorate and Abyssinia.

5. Apart, however, from the risk of Abyssinian encroachment on British territory, it is necessary to consider the case of the natives to the south of the frontier who are exposed to the Abyssinian raids, but who are supposed to be under the protection of this country. This matter was brought to the notice of Mr. Churchill, during his recent visit to the Protectorate, by Lord Delamere, the senior unofficial member of the Legislative Council, who made the following statement in a public speech:—

"The other international question was that relating to the Abyssinian boundary. That was a question which he thought should appeal to the conscience of every thinking man. Ten years ago there were large numbers of Galla living on the Abyssinian border in peace and comfort, under the impression that they were protected by the British Government. They had been given to understand so by people who had a right to speak, and yet what had happened to-day? The whole of those people were in a state of serfdom under the Abyssinians, and the Abyssinian raids yearly crept southwards. It was most desirable that something should be done to protect the border, which would deflect a certain amount of the trade into the British port of Kismayu. The British Government were under great responsibility in this matter . . ."

6. With regard to the advantages in the way of increased trade and revenue to be derived from a better control of the frontier, Lord Elgin can only repeat what was stated in the fifth paragraph of the letter from this Department of the 29th November last—that Sir J. Harrington anticipates that the increased revenue which is likely to accrue from the adoption of the proposed arrangement will more than cover the cost of carrying it out, that the tribes will be glad to pay tribute in return for protection, and that in the opinion of the Chargé d'Affaires at Adis Ababa the customs returns will shortly be considerable.

I am, &c.
(Signed) R. L. ANTROBUS.

Inclosure 6 in No. 90.

Treasury to Colonial Office.

Sir,
Treasury Chambers, January 31, 1908.
I HAVE laid before the Lords Commissioners of His Majesty's Treasury Mr. Antrobus' letter of the 10th instant, further respecting the revised arrangements proposed by the Earl of Elgin for the control of the frontier between Abyssinia and the East Africa Protectorate.

In reply, I am to state that my Lords do not yet feel satisfied that the proposal of the Secretary of State is one which they can accept; but they would be glad to receive further information as to the position which it is intended that the frontier inspectors will occupy, and particularly whether they will be officers of the Protectorate under the control of the Governor of the East Africa Protectorate, or under the control of His Majesty's Minister in Abyssinia. In the latter case, it would seem proper that their salaries should be charged to the Diplomatic and Consular Vote.

My Lords further request to be furnished with a more detailed estimate of the annual cost, distinguishing between salaries and transport and other expenditure.

I am, &c.
(Signed) G. H. MURRAY.

[7548]

No. 91.

Sir J. Harrington to Sir Edward Grey.—(Received March 4.)

(No. 15.)

(Telegraphic.) P.

Adis Ababa, February 29, 1908.

TRIPARTITE Agreement.

M. Klobukowski maintains that Article 10 does not entail the obligation of taking no personal initiative, of doing or saying nothing in matters which are of common interest, without previously consulting his colleagues. He claims that Article 10 specially concerns the execution of Article 3.

As he is thoroughly untrustworthy, I consider it inadvisable to discuss the question with him now, but will await the arrival of the new French Minister on the 3rd March to hear his views.

It is absolutely essential, should these views be the same as M. Klobukowski's, that identical instructions should be given the three Representatives, as the present situation is that the Agreement has been turned to our disadvantage.

[7548]

No. 92.

Sir Edward Grey to Sir J. Harrington.

(No. 5.)

(Telegraphic.) P.

Foreign Office, March 5, 1908.

TRIPARTITE Agreement.

Following refers to your telegram No. 15 of the 1st instant.

As soon as you can ascertain views of new French Minister on the subject you should report them home. If the Agreement is interpreted by him in the same sense as it is by M. Klobukowski, the French Government will be approached respecting the advisability of the Representatives at Adis Ababa being furnished with identic instructions.

If we can feel assured, however, that the spirit of the 1906 Agreement will be observed, it is undesirable to fetter the liberty of action of the Representatives.

[8296]

No. 93.

Sir E. Egerton to Sir Edward Grey.—(Received March 10.)

(No. 10. Africa.)

Sir,

Rome, March 6, 1908.

WITH reference to previous correspondence concerning the Lugh incident, I have the honour to report that the following communication has been made to-day by the "Stefani" Agency:—

"A telegram from Adis Ababa announces that the Arusi Chiefs responsible for the Benadir raids, having reached the capital, were immediately brought before the Emperor Menelek.

"As the result of the judgment pronounced by the Negus, Degiasc Lul Seghet, Fitaurari Asfan, and all the subordinate Chiefs who took part in the Rakaunian expedition were imprisoned and put in chains.

"The Negus, desiring to maintain the most friendly relations with the Italian Government, reserves to himself the nomination of new Chiefs for the frontier districts towards Benadir."

A few days ago the "Tribuna" published a telegram from its correspondent in Benadir stating that the Governor, having heard that the caravan route from the coast was being disturbed by some of the Bimal tribe armed with rifles probably supplied by the Mullah, had decided to send Captain Vitali, with 500 men, to occupy Caitoi, on the Uebi Scebeli, a village of 1,000 inhabitants, about a day's march from Merca; further, that the Colony was completely tranquil.

This, says the "Tribuna," represents the first step in the carrying out of the Government's programme as explained by Signor Tittoni last month.

I have, &c.
(Signed) EDWIN H. EGERTON.

[8914]

No. 94.

Sir J. Harrington to Sir Edward Grey.—(Received March 14.)

(No. 16.)

(Telegraphic.) P.

Adis Ababa, March 14, 1908.

TRIPARTITE Agreement. Your telegram No. 5.

Owing to the presentation of the Italian note regarding identic instructions, the new French Minister is unable to express any opinion, having to await instructions from his Government.

As regards the Italian note, I prefer that concessions should not be interfered with by Ministers; otherwise a trial might be given to Italian suggestions to see whether or not the others will act loyally.

[9036]

No. 95.

Mr. G. Barclay to Sir Edward Grey.—(Received March 16.)

(No. 2. Africa.)

Sir,

Pera, March 10, 1908.

I HAVE the honour to acknowledge the receipt of your despatch No. 1, Africa, of the 12th ultimo, on the subject of the protection of Abyssinian interests in Palestine by the Italian Government.

The Arrangement is not one of which I was previously aware, although I knew that the Italian, as well as the German Embassy, was giving the Abyssinians formal support in the matter of the ownership of the Deir-es-Sultan Monastery. I have, however, spoken to the Italian Ambassador on the subject, and learn from his Excellency that he is not going beyond such formal support in favour of the mission now at Constantinople.

The Grand Vizier has also maintained the attitude reported in my despatch No. 316 of the 27th May last, and referred to in my despatches Nos. 745 and 793 of the 4th and 24th December, 1907, and No. 7 of the 7th January last.

The Abyssinian Mission, however, refused to accept the Porte's reply reported in my despatch No. 7 of the 7th January last, and addressed a further Memorial to the Minister of the Interior, who, relying on the Sultan's disinclination to allow the Abyssinian Monarch's Mission to leave his capital without a semblance at least of satisfaction, had espoused the Abyssinian cause partly out of motives of pique against his enemy, the Grand Vizier.

The Memorial in question, after setting forth *in extenso* the alleged proofs of the Abyssinian contentions, claimed, *inter alia*, that their rights over the whole of the Deir-es-Sultan, including the small chapels of St. Michael and the Four Animals [*sic*] (otherwise known as the shrine of the forty martyrs), should be recognized by Imperial Firman; that they should be empowered to carry out the necessary building repairs in the convent, and that the keys of the principal gate, as well as of that leading to the two chapels, and also the key of the gate which opens on the entry hall of the Church of the Resurrection, should be handed over to them.

The Minister of the Interior induced the Sultan to have the matter reconsidered by the Council of Ministers, and re-examined by two successive Commissions at the Porte, all of which have refused to recommend reopening the question, and declared that as the Copts had closed the two chapels to Abyssinian worship, owing to the fact that some seventeen years ago the Abyssinian monks had shown disrespect to and insulted the Coptic Superior, it was for the Abyssinians to regain access by apologizing or otherwise making up their quarrel with the Copts. The Minister of the Interior thereupon presented a statement to the Palace to the effect that while a British Blue-Book of 1867 showed that the British Government originally championed the cause of the Abyssinians, it was now supporting the Copts, not on the merits of the case, but simply on account of the alteration which had taken place in the status of Egypt, and suggesting as a solution that the keys claimed by the Abyssinians should be deposited with the Orthodox Patriarch of Jerusalem, who would give them to the Coptic and Abyssinian Monks when required for their respective or joint services.

The Mutessarif of Jerusalem, when instructed by the Grand Vizier to report on this suggestion, strongly deprecated it as certain to be resisted by the Copts and likely to lead to endless trouble, but the majority of the Council of Ministers have lately shown an inclination to give some apparent, if not real, satisfaction to the Abyssinian

Mission by accepting a proposal recommending that an Ottoman Delegate should accompany the Mission to Jerusalem, where the matter would be examined on the spot. The Grand Vizier has strongly opposed this as simply transferring the dispute from Constantinople to Jerusalem, where the question was likely to become more envenomed, and the Sultan has so far withheld his sanction.

I have from time to time made unofficial representations to the Palace, the Minister of the Interior and two Commissions to which the matter was referred, pointing out the danger and inexpediency of reopening a controversy which was settled in 1906, and which, if revived, might have far-reaching consequences.

I have, &c.

(In the absence of His Majesty's Ambassador),
(Signed) G. BARCLAY.

P.S.—Since writing the above despatch I have received a telegram from His Majesty's Consul at Jerusalem, stating that he has been confidentially informed by the Mutessarif that, although he reported categorically that nothing could be done for the Abyssinians, he has now received formal instructions from the Palace to give them some satisfaction.

G. B.

[8914]

No. 96.

Sir Edward Grey to Sir J. Harrington.

(No. 6.)

(Telegraphic.) P.

Foreign Office, March 17, 1908.

ARTICLE 10 of Tripartite Agreement of 1906.

Following refers to your telegram No. 5 of the 14th instant:—

The question of identic instructions will be raised with the French and Italian Governments as soon as I receive your reply to my despatch No. 9. In any case, however, it is considered by His Majesty's Government that Article 10 of the 1906 Agreement undoubtedly applies generally, and not only to Article 3 of the Agreement. The Italian and French Governments will be so informed.

[8296]

No. 97.

Sir Edward Grey to Sir J. Harrington.

(No. 25.)

Sir,

Foreign Office, March 19, 1908.

WITH reference to your despatch No. 5 of the 25th January respecting the Lugh incident, I transmit to you herewith copy of a despatch from His Majesty's Ambassador at Rome on the subject.*

I should be glad to learn whether Dejaz Lul Seged has been degraded, as reported in this despatch, and, if so, who has been appointed to succeed him as Governor of the Arusi country.

I am, &c.

(Signed) E. GREY.

[7439]

No. 98.

Sir Edward Grey to Sir J. Harrington.

(No. 26.)

Sir,

Foreign Office, March 20, 1908.

I TRANSMIT to you herewith a copy of a letter from the Colonial Office,† relative to the control of the frontier between Abyssinia and the East Africa Protectorate.

You will observe that the Colonial Office have now abandoned the scheme, with which you concurred when at home last year, set forth in their letter to this Office of the 25th October, 1907 (Abyssinia print, 26th October, Section 4), and have substituted a proposal to place the Frontier Inspectors under the control of His Majesty's Legation at Adis Ababa.

* No. 93.

† No. 90.

[1557]

X

The adoption of the present suggestion will probably render more difficult the successful carrying out of the diversion of trade from Italian to British territory (see paragraph 3 (b) of the accompanying letter), and consequently the increase of revenue will be less than there was reason to hope for, but in view of the fact that Mr. Zaphiro's presence on the frontier has given the natives on our side a tangible proof that they are British subjects in British territory, and therefore free from the danger of Abyssinian raids, and has also held the Abyssinians in check, it would, I consider, be undesirable, even though the cost may be greater than was anticipated, to withdraw our protection and expose our tribes to renewed Abyssinian incursions, except under very serious political necessity. On the other hand, the Colonial Office show that there are grave risks and disadvantages attached to making the Frontier Inspectors dependent on the Protectorate authorities, and I concur in the opinion of the Earl of Elgin that the best solution of the question would be to place these officers under the control of His Majesty's Legation at Adis Ababa. I accordingly request that you will furnish me as soon as possible with your views on the matter.

I should especially wish to learn whether you consider that there will be any difficulty in obtaining the Emperor Menelek's consent to the proposed arrangement, and, in that event, what, in your opinion, will be the best method of inducing His Majesty to withdraw his opposition.

You should also furnish a detailed estimate of the probable cost of pay and allowances for the Frontier Inspectors and their escorts.

I am, &c.
(Signed) E. GREY.

[7439]

No. 99.

Foreign Office to Colonial Office.

Sir,

Foreign Office, March 20, 1908.

I AM directed by Secretary Sir E. Grey to acknowledge the receipt of your letter of the 2nd instant, relative to the control of the frontier between Abyssinia and the East Africa Protectorate.

I am to state in reply that Sir E. Grey will consult Sir J. Harrington with regard to the proposal to place the Frontier Inspectors under the control of His Majesty's Minister at Adis Ababa.

Sir E. Grey has no objection in principle to these officers being in direct communication with Sir J. Harrington and under his orders, but there does not appear to be, in Sir E. Grey's opinion, any reason for imposing on the Diplomatic and Consular vote the expense entailed by their pay and allowances, since their presence on the frontier, though on the Abyssinian side thereof, is inspired solely by the interests and for the welfare of the British Protectorate.

I am, &c.
(Signed) W. LANGLEY.

[9716]

No. 100.

Sir J. Harrington to Sir Edward Grey.—(Received March 21.)

(No. 6.)

Sir,

Adis Ababa, February 29, 1908.

I HAVE the honour to forward copies of correspondence which has passed between my French colleague, M. Klobukowski, and myself, and is the result of conversations between us.

I saw him at the French Legation on the 31st January, when I explained to him my views regarding Article 10 of the 1906 Agreement, stating that in all questions which interest the three Governments or their subjects I had no intention of taking any action without first informing my French and Italian colleagues, so that in case of any difference of opinion, the question could be referred for decision to our Governments. I further informed him that, in accordance with Article 10, I was prepared to keep him fully informed of what I did, and I expected the same conduct on his part. He practically agreed to my views, and I suggested to him that we should have a meeting with our Italian colleague, so as to have a clear understanding as to our respective actions.

This meeting took place at this Legation on the 4th February, when M. Klobukowski claimed a freedom of action which neither my Italian colleague nor myself considered advisable if the Agreement is to be loyally observed.

No conclusion was come to at this meeting, and having regard to the impossibility of obtaining a definite answer to a definite question from our French colleague, we decided to await the arrival of the new French Minister, M. Brice.

The correspondence began owing to my asking M. Klobukowski if it was true that he had asked permission for the Bank of Indo-Chine to establish itself here.

I also considered it my duty to satisfy myself that there was no engagement in the new Concession on the Emperor's part to maintain the local taxes, which have been abolished by Treaty in the case of Erythraean commerce, and which, under the most-favoured-nation clause, I hope to see removed from British trade.

Finding it impossible to obtain what I considered a satisfactory answer, I went, in company with Lord Herbert Hervey, and saw M. Klobukowski. He showed me his Agreement with the Emperor, which, it may be mentioned, was made in July last.

It is a letter under the Emperor's seal, stating that he will grant a new Concession to a new Company recommended by the French Government, and allow the levy of 6 per cent. on railway-borne merchandize, which is to be exempted from local taxes, "péage et transit."

Though he offered to show me the new Concession—which, he informed me was signed—he did not do so, and I had to content myself with an assurance which I should have preferred to have had more definitely worded than it was. Consequently, I suggested that it would be well that His Majesty's Government (by my telegram of the 23rd February) should make further inquiries.

The correspondence forwarded is sufficient proof of how little M. Klobukowski regards Article 10 of the 1906 Agreement, and how difficult it is to obtain a direct answer from him.

If the interpretation placed on Article 10 by M. Klobukowski in his letter of the 16th February is accepted by His Majesty's Government, then there will be a continuance of the state of affairs existing between the three Legations previous to the Agreement, and the Emperor will continue to play one Power against the others.

There has never been any question on the part of his British and Italian colleagues as to his submitting any proposal to his Government, he has always been free to do so. I have now been here a month, and everything I have heard and learnt forces me to the conclusion that M. Klobukowski, though he may possibly have directly observed the Agreement, has indirectly violated it in every possible manner and done his level best to use it to the advantage of France and the detriment of Great Britain and Italy.

It is unnecessary to enter into details, but no sane individual could arrive at any other conclusion.

So far as the Bank of Abyssinia is concerned, my opinion is that, as His Majesty's Government has allowed the French Government to maintain the railway from Jibuti to Adis Ababa as a purely French concern, we are warranted in demanding that the bank which was launched under British auspices should be left free from French intrigues, which it has never been from the day it was created to the present.

I have, &c.
(Signed) J. HARRINGTON.

Inclosure 1 in No. 100.

M. Klobukowski to Sir J. Harrington.

*Légation de la République Française en Ethiopie,
Addis-Ababa, le 4 Février, 1908.*

Mon cher Collègue,
VOICI le texte de la lettre que j'ai adressée il y a un mois à Sa Majesté Ménélik au sujet de la Banque de l'Indo-Chine :—

"J'ai l'honneur d'informer votre Majesté que la Banque Coloniale de l'Indo-Chine Française vient d'installer une succursale à Djibouti.

"Je me permets d'espérer que, dans les rapports d'affaires avec l'Abyssinie, cette banque pourra compter sur la haute bienveillance de votre Majesté."

Je vous avise également que je télégraphie à mon Gouvernement que je remporte de notre entretien d'aujourd'hui une bonne impression, et que vous avez bien voulu me dire que, du moment qu'il ne s'agissait que de taxes intérieures existantes, il n'y avait, de votre part, aucune objection.

Bien cordialement à vous,
(Signé) A. KLOBUKOWSKI.

Inclosure 2 in No. 100.

Sir J. Harrington to M. Klobukowski.

My dear Colleague,

Adis Ababa, February 5, 1908.

VERY many thanks for your note of yesterday, in which you inform me of your communication to His Majesty the Emperor regarding the Bank of Indo-China.

I confirm my statement that I see no objection to the arrangement that traffic not passing over the railway from Jibuti to Adis Ababa should pay "droits de péage et transit ou taxes intérieures," provided it is clearly stipulated that existing taxes are referred to.

I wish also to express my hope that in your Arrangement the clause concerning "taxes intérieures" will be so worded that there is no engagement on His Majesty the Emperor's part that he will maintain these taxes, which he has already abolished by Treaty in the Tigre trade, and which I hope to see abolished as regards British East Africa and the Soudan.

At my audience this morning with His Majesty the Emperor nothing political was referred to.

Yours sincerely,
(Signed) J. HARRINGTON.

Inclosure 3 in No. 100.

M. Klobukowski to Sir J. Harrington.

*Légation de la République Française en Éthiopie,
Addis-Ababa, le 6 Février, 1908.*

Mon cher Collègue,

IL semble, d'après votre lettre du 5 de ce mois, que j'aurais encore quelque arrangement à conclure avant mon prochain départ d'Addis-Ababa. Il n'en est rien.

Dès notre premier entretien, le 31 Janvier, je vous ai dit que j'en avais terminé avec l'affaire qui m'avait amené en Éthiopie et à laquelle l'heureux accord de nos deux Gouvernements a mis un point final.

Veuillez, &c.
(Signé) A. KLOBUKOWSKI.

Inclosure 4 in No. 100.

Sir J. Harrington to M. Klobukowski.

My dear Colleague,

Adis Ababa, February 8, 1908.

YOURS of the 6th February to hand.

I note that you state that you have finished your mission in Abyssinia.

My Government being only informed of the general lines of the Arrangement made concerning the railway, I shall be obliged by your communicating to me the actual wording of the Agreement so far as concerns "droits de péage et transit ou taxes intérieures," as this is a point which interests my Government.

Yours sincerely,
(Signed) J. HARRINGTON

Inclosure 5 in No. 100.

M. Klobukowski to Sir J. Harrington.

*Légation de la République Française en Éthiopie,
Addis-Ababa, le 10 Février, 1908.*

Mon cher Collègue,

POUR répondre au désir que vous voulez bien m'exprimer par votre lettre en date du 8 Février, je m'empresse de vous confirmer les renseignements que j'ai eu l'honneur de vous donner au cours de nos deux entretiens (31 Janvier et 4 Février) à la Légation de France et à la Légation d'Angleterre concernant nos Arrangements relatifs au chemin de fer.

Sa Majesté Ménélik consent à accorder à une nouvelle Société Française le droit d'achever et exploiter le chemin de fer de Djibouti à Addis-Ababa, ensuite à coopérer à l'exploitation et à l'achèvement de la ligne dans les conditions suivantes :—

Toutes les marchandises entrant en territoire Abyssin ou en sortant, par la voie du chemin de fer, acquitteront une taxe indépendante des droits de douane de 6 pour cent *ad valorem*; 4 pour cent de cette taxe seront perçus au profit de la nouvelle Compagnie du Chemin de Fer, 2 pour cent au profit du Gouvernement Éthiopien, qui fera exécuter certains travaux utiles au commerce général et à la ligne. Par contre, les marchandises empruntant la voie ferrée seront exemptées, à l'exclusion des marchandises acheminées par tout autre mode de transport des taxes intérieures actuellement perçues.

Cette exemption des taxes intérieures ne constitue pas un régime de faveur au profit d'une certaine catégorie de marchandises; elle n'est, en effet, que la contre-partie de la surtaxe de 6 pour cent qui sera perçue dans les conditions ci-dessus indiquées, et toutes les marchandises voyageant par le chemin de fer seront, quelle que soit leur nationalité, soumises au même traitement.

L'Empereur Ménélik consent également à participer à la constitution du capital de la nouvelle Société par un apport personnel de fonds; par contre, le Gouvernement de la République s'est engagé à garantir au Négus le remboursement d'une créance importante qu'il a à faire valoir contre les anciens concessionnaires privilégiés du chemin de fer.

D'autre part, à la date du 20 Janvier dernier, le liquidateur de la Compagnie Impériale des Chemins de Fer Éthiopiens a été autorisé, par décision du Président du Tribunal de Commerce de la Seine, à signer un engagement portant la cession de l'actif de cette Compagnie à une Société nouvelle agréée par le Gouvernement Français. Cet engagement a été signé le lendemain, 21 Janvier.

En outre, j'ai été officiellement avisé que la nouvelle Société s'est assurée le concours des Banques d'Indo-Chine, Société Générale, Crédit Lyonnais, Comptoir d'Escompte, Banque de Paris, Crédit Industriel, Union Parisienne, Banque Française.

J'ai, d'ailleurs, eu soin de porter ces deux dernières informations, dès leur réception, à la connaissance de Mr. Hohler.

Veuillez, &c.
(Signé) A. KLOBUKOWSKI.

Inclosure 6 in No. 100.

Sir J. Harrington to M. Klobukowski.

My dear Colleague,

Adis Ababa, February 13, 1908.

I HAVE to thank you for your letter of the 10th instant, and note the contents.

As regards the Railway Concession that is to be granted to the new French Company, I shall be obliged by your assurance that the clause concerning the exemption of goods passing over the railway from "taxes intérieures existantes" shall be so worded that there is no engagement on His Majesty the Emperor's part that he will maintain these taxes as regards goods entering by other routes.

Yours sincerely,
(Signed) J. HARRINGTON.

Inclosure 7 in No. 100.

M. Klobukowski to Sir J. Harrington.

Légation de la République Française en Éthiopie,
Addis-Ababa, le 14 Février, 1908.

Mon cher Collègue,
EN réponse à la lettre que vous m'avez fait l'honneur de m'écrire le 13 de ce mois, je ne puis que vous confirmer ce que je vous ai déjà dit et écrit; nous n'avons pas avec le Gouvernement Éthiopien, au sujet du chemin de fer, d'autres Arrangements que ceux mentionnés par ma lettre du 10 Février et à propos desquels—ai-je besoin de le rappeler?—les Gouvernements Britannique et Italien, en parfaite entente avec le Gouvernement de la République, n'ont formulé aucune objection.

Veillez, &c.
(Signé) A. KLOBUKOWSKI.

Inclosure 8 in No. 100.

M. Klobukowski to Sir J. Harrington.

Légation de la République Française en Éthiopie,
Addis-Ababa, le 16 Février, 1908.

Mon cher Collègue,
DEPUIS votre arrivée à Addis-Ababa, nous nous sommes entretenus et nous avons correspondu longuement.

Pour compléter nos échanges de vues et leur donner, en même temps qu'une forme précise, une conclusion, il me paraît utile de vous indiquer le sentiment de mon Gouvernement au sujet de la portée de l'Accord de 1906 en général, et de l'Article 10 en particulier.

Le but de l'Accord est nettement défini dans le préambule :—

1. Prévenir toute espèce de troubles dans les conditions politiques de l'Empire Éthiopien.
2. Arriver à une entente commune, en ce qui concerne la conduite à suivre, en cas d'un changement de situation dans cet Empire.
3. Pourvoir à ce que, de l'action des trois États Signataires, protégeant leurs intérêts respectifs, il ne résulte pas de dommages préjudiciables aux intérêts de l'une quelconque des trois Puissances.

L'Article 10 de l'Accord concerne spécialement l'exécution du troisième point; il a pour objectif, d'une part, d'empêcher que l'un des Représentants, Français, Anglais, ou Italien, entreprenne en faveur d'intérêts nationaux dont il a la charge, une action nuisible aux intérêts dont la défense est confiée à ses collègues, et, d'autre part, d'assurer éventuellement à celui des Représentants qui en aurait besoin, dans un intérêt conciliable avec les stipulations de l'Accord de 1906, la coopération de ses deux collègues. Mais cet Article 10 ne saurait, à notre avis, avoir pour effet d'entraîner, pour chacun des Représentants à Addis-Ababa, l'obligation stricte de ne prendre aucune initiative personnelle, de ne rien faire ou rien dire sans l'assentiment préalable de ses collègues, et de ne soumettre à son propre Gouvernement aucun projet avant d'en avoir obtenu une sorte d'autorisation de la part des Représentants étrangers.

À l'égard de Sa Majesté Ménélik, l'Accord de 1906 m'apparaît, non comme un moyen d'exercer une pression au moins amicale sur son Gouvernement, mais, au contraire, comme un *modus vivendi*, qui, supprimant, entre nous, toute division, toute rivalité, nous permet, avec une entière liberté, de concilier les besoins, les intérêts de son pays avec les nôtres, de lui suggérer, après mûre délibération, les réformes à la fois utiles à ses sujets et profitables à nos nationaux; en un mot, d'établir entre nous et un Souverain—que, suivant l'heureuse expression de Sir Edward Grey, il faut persuader, et non pas intimider—un courant de confiance prenant sa source dans une collaboration amicale et individuelle, strictement respectueuse de l'indépendance de son Empire.

Telle est, mon cher collègue, l'interprétation à laquelle, au cours de ma mission spéciale en Éthiopie, je me suis appliqué à conformer rigoureusement ma conduite.

Ce sera également, j'en suis certain, l'attitude de notre nouveau Ministre à

Addis-Ababa, car il est au même degré que moi—et comme vous, je n'en doute pas—conscient, aussi bien des avantages que doit avoir pour les contractants l'application loyale de l'Accord de 1906, que des graves difficultés auxquelles donnerait lieu une interprétation divergente de certaines de ses clauses.

Permettez-moi, mon cher collègue, de profiter de cette occasion pour faire mention ici d'une question où nos intérêts sont directement engagés et sur laquelle, le moment venu, vous jugerez expédient, je l'espère, de renseigner notre Légation aussi complètement que je viens de le faire moi-même, à votre demande, pour une affaire, cependant, exclusivement Française, celle du chemin de fer de Djibouti à Addis-Ababa.

Je veux parler du projet de transformation de la Banque d'Abyssinie en Banque d'État qui a fait notoirement l'objet de nombreux pourparlers entre le Gouvernement Éthiopien et la "National Bank of Egypt." Comme il était vraisemblable que la Légation Britannique ne dût pas se désintéresser de cet important projet, j'ai pris la liberté de m'enquérir à ce sujet, successivement, auprès de Mr. Hohler et auprès de vous.

Il serait très agréable à notre Légation de recevoir, le cas échéant, des informations sur une question qu'elle ne connaît encore que par la rumeur publique, et dont vous estimerez, je me plais à le penser, qu'un accord préalable avec nous faciliterait la discussion et la solution éventuelle.

Veillez, &c.
(Signé) A. KLOBUKOWSKI.

P.S.—Je vous serais très obligé de me communiquer les observations que vous aura suggérées la lecture de cette lettre, dont j'enverrai la copie à Paris par le prochain courrier.

A. K.

Inclosure 9 in No. 100.

Sir J. Harrington to M. Klobukowski.

My dear Colleague, Addis Ababa, February 18, 1908.

I WAS sorry to hear you were unwell this morning and unable to attend the races, as I counted on being able to show you the inclosed telegram, which I propose sending my Government, so that you could change it in case there is any misunderstanding on my part of what passed at our last meeting.

Hoping you are better, yours, &c.

(Signed) J. HARRINGTON.

Inclosure 10 in No. 100.

Draft of Telegram from Sir J. Harrington to Sir Edward Grey.

RAILWAY question.

M. Klobukowski has shown me his Agreement with Emperor concerning the railway and has informed me that the new Concession is signed. I particularly inquired concerning the wording of the clause exempting railway-borne goods from internal taxes in new Concession. He assured me that wording was the same as that in his Agreement, viz. :—

"Par contre, les marchandises empruntant la voie ferrée, à l'exclusion des marchandises acheminées par tout autre mode de transport, seraient exemptées des taxes intérieures de péage et de transit."

Inclosure 11 in No. 100.

*M. Klobukowski to Sir J. Harrington.**Légation de la République Française en Éthiopie,
Addis-Ababa, le 18 Février, 1908.*

Mon cher Collègue,

JE vous remercie de votre communication.

Je n'ai rien à ajouter sur cette question à ce que j'ai eu l'honneur de vous dire et de vous écrire.

La suppression porte sur les taxes intérieures dont seront exemptées les seules marchandises empruntant la voie ferrée.

Bien à vous,
(Signé) A. KLOBUKOWSKI.

Inclosure 12 in No. 100.

Sir J. Harrington to M. Klobukowski.

My dear Colleague,

Adis Ababa, February 20, 1908.

I HAVE the honour to acknowledge receipt of your letter of the 16th February. As regards the general purport of the 1906 Agreement, there is no question but your interpretation of Article 10 is so totally divergent from that which I understand to be placed on it by my Government, that I think it better our respective Governments should be requested to define its exact signification.

As regards the Bank of Abyssinia, I have not spoken to the Emperor about its affairs and have no intention of doing so.

Yours sincerely,
(Signed) J. HARRINGTON.

[8914]

No. 101.

*Sir Edward Grey to Mr. Lister.**

(No. 24. Africa.)

Sir,

Foreign Office, March 21, 1908.

I TRANSMIT to you herewith copies of telegraphic correspondence with His Majesty's Minister at Adis Ababa,† from which it appears that there is considerable difference in the views of Sir J. Harrington and of the French Representative in Ethiopia as to the proper interpretation of Article 10 of the Tripartite Agreement of the 13th December, 1906.

The Italian Government have made certain proposals, of which a copy is also inclosed,‡ for identic instructions to be sent to the Representatives of the limitrophe Powers in Abyssinia, which would obviate the possibility of any such divergence of views, and ensure unanimity of action by the three Powers, and I am only awaiting Sir J. Harrington's observations on these suggestions before signifying to the Italian Government that His Majesty's Government are prepared to discuss them.

I consider, however, that in the meantime the views of His Majesty's Government as to the proper interpretation of Article 10 should be made quite clear both to the French and Italian Governments, and I request, therefore, that you will give M. Pichon a Memorandum stating that since it is important that there should be a definite understanding as to the interpretation of Article 10 of the 1906 Agreement, which is apparently not the case at present, His Majesty's Government think it well to place their view before the two co-Signatory Powers. This view is that Article 10 of the Tripartite Agreement applies to the general policy of the three Signatory Powers in Abyssinia, and not (as M. Klobukowski contended) merely to Article 3 of the Agreement, which is confined to one point only, that of the policy to be pursued in the event of rivalries or internal changes in Abyssinia.

I have addressed a similar despatch to His Majesty's Ambassador at Rome.

I am, &c.
(Signed) E. GREY.* Also to Sir E. Egerton, No. 8, Africa, *mutatis mutandis*.
‡ No. 41.

† Nos. 91, 92, 94, and 96.

[10007]

No. 102.

Count de Bosdari to Sir Edward Grey.—(Received March 23.)

(Translation.)

Your Excellency,

Italian Embassy, March 19, 1908.

I CONVEYED the contents of your Excellency's note of the 18th ultimo to my Government.

I have the honour to state that the French Government have not yet replied to the observations which, as recorded in the Marquis di San Giuliano's note to your Excellency of the 1st ultimo, the Italian Government considered it desirable to make against the clause under which the Abyssinian Government would maintain transit dues and tolls, besides the Customs Tariff, on goods carried from and through Abyssinia by means other than the Jibuti-Addis Abeba Railway.

While waiting for the French reply on this point, my Government would be glad to learn the views of the British Government thereon. The Marquis di San Giuliano discussed the matter verbally with your Excellency on the 31st January, and your Excellency reserved your answer as regards the difficulty raised by the Italian Government until you had had time to study the question.

In anticipation of the reply which my Government desire to obtain from the British Government, independently of the answer from the French Government, I have, &c.

(Signed) A. DE BOSDARI.

[10271]

No. 103.

Memorandum communicated by Count Benckendorff, March 24, 1908.

LE Gouvernement Impérial serait désireux de connaître dans ses détails le projet pour la défense des Légations à Addis-Ababa, avec la description topographique générale, et en particulier celle de l'emplacement où, dans l'idée de Sir J. Harrington, il y aurait lieu de transporter les Légations; le Gouvernement Impérial tiendrait à se rendre compte s'il s'agirait de tirer parti de quelque construction existante, ou bien s'il s'agirait de constructions entièrement nouvelles pour servir d'habitations aux Représentants étrangers.

Le Gouvernement Impérial tiendrait aussi à connaître l'avis du Gouvernement de Sa Majesté Britannique sur le projet du Représentant Russe concernant l'organisation de la même défense, projet exigeant des dépenses beaucoup moins considérables.

En effet, il s'agirait, d'après ce projet, de—

930 livres environ pour installation de contrevents et portes métalliques, et de plafonds impénétrables pouvant supporter le poids de sacs de sable;
650 livres environ pour conduits d'eau et citernes;
550 livres environ pour renouvellement de rations pour 50 hommes;
2,100 livres pour cadeaux, &c.

En outre, d'après des renseignements pris auprès du Gouvernement Français, ce dernier n'aurait reçu aucune communication à ce sujet du Gouvernement Britannique.

[10295]

No. 104.

Sir F. Bertie to Sir Edward Grey.—(Received March 26.)

(No. 17.)

Sir,

Paris, March 24, 1908.

I HAVE the honour to inform you that I have this day addressed a Memorandum to the French Government in the sense of your despatch No. 24, Africa, of the 21st instant, respecting the views of His Majesty's Government on the interpretation of Article 10 of the Tripartite Agreement concerning Abyssinia.

I inclose herewith a copy of the communication in question.

I have, &c.
(Signed) FRANCIS BERTIE.

[1557]

Z

Inclosure in No. 104.

Memorandum communicated by Sir F. Bertie to M. Pichon.

IT has been brought to the notice of His Majesty's Government that there appears to be a considerable difference in the views of His Majesty's Representative in Ethiopia and M. Klobukowski as to the proper interpretation of Article 10 of the Tripartite Agreement of the 13th December, 1906.

His Majesty's Government consider that it is important that there should be a definite understanding on this question of interpretation, and they think it well to place their view before the two co-Signatory Powers. His Majesty's Ambassador has accordingly been instructed by His Majesty's Principal Secretary of State for Foreign Affairs to inform his Excellency the Minister for Foreign Affairs of the French Republic that, in the opinion of His Majesty's Government, Article 10 of the Tripartite Agreement applies to the general policy of the three Signatory Powers in Abyssinia, and not (as M. Klobukowski appears to have contended) merely to Article 3 of the Agreement, which is confined to one point only, namely, that of the policy to be pursued in the event of rivalries or internal changes in Abyssinia.

Paris, March 23, 1908.

[10680]

No. 105.

Sir J. Harrington to Sir Edward Grey.—(Received March 28.)

(No. 17.)

(Telegraphic.) P.

Adis Ababa, March 27, 1908.

SOUTHERN frontier.

The situation on the frontier becomes daily more difficult, owing to the ivory hunters. Has any decision been come to about protection of the line? The present grant of 900*l.* a-year is sufficient for the maintenance of twenty men only, whereas the Inspector requires a minimum of fifty men to be able to exercise anything approaching effective control. Have I your sanction to increase number, entailing an annual cost of 500*l.*? I estimate that the Protectorate loses ivory to the value of over 3,000*l.* per annum, owing to inefficient protection. As an instance, 2,000*l.* worth has been taken by the Emperor, and I am at present in vain trying to secure its return.

[10681]

No. 106.

Sir J. Harrington to Sir Edward Grey.—(Received March 28.)

(No. 18.)

(Telegraphic.) P.

Adis Ababa, March 27, 1908.

DELIMITATION of southern frontier.

The Emperor asks that Delmé-Radcliffe should be appointed Commissioner to delimit frontier; failing him, he will accept Gwynn.

It is highly desirable that the work, which can commence in May, should be proceeded with as early as possible.

[10704]

No. 107.

Sir F. Lascelles to Sir Edward Grey.—(Received March 30.)

(No. 129.)

Sir,

Berlin, March 23, 1908.

SOME time ago the "National Zeitung" announced that Herr Arnold Holtz had left Germany for Abyssinia on a private journey, unconnected in any way with official business. This morning the "Schlesische Zeitung" announces that it learns that Herr Holtz has acquired Concessions from the Emperor Menelek for the establishment of a service of motor-cars, for the foundation of trade Settlements, the construction of roads and bridges, and the introduction of a postal service into Abyssinia. The journal adds that England and France have endeavoured in vain to prevent the grant of these Concessions to Herr Holtz.

In quoting this piece of news from the "Schlesische Zeitung" the German press is careful to state that the responsibility for the information rests with the Silesian newspaper. In official circles in Berlin it is stated that nothing is known of the reputed Concessions to Herr Holtz.

I have, &c.

(Signed) FRANK C. LASCELLES.

[10982]

No. 108.

International Ethiopian Railway Trust and Construction Company to Sir Edward Grey.—(Received March 31.)

Sir,

34, Clement's Lane, London, March 30, 1908.

ON the 26th February we had the honour to receive an acknowledgment of our letter of the 12th of that month, informing us that you had been good enough to make further representations to the French Government relative to our position in the affairs of the Imperial Ethiopian Railway Company.

As we are still without any communication informing us of the nature of the reply to those further representations, we find ourselves reluctantly compelled to ask you to be so good as to take whatever steps may commend themselves to you to ascertain if the French Government is prepared to accede to the very reasonable proposal renewed in our letter of the 12th February for the cession of our position either to the French Government or to its financial associates for a fair and adequate compensation.

The grounds on which we venture to urge that the French Government should be asked to give a reply to this proposal without further delay are as follows:—

1. We cannot postpone indefinitely making a statement to the shareholders of the Ethiopian Railway Trust and Construction Company (Limited), whose interests we represent, and the Board must soon call together a General Meeting of the shareholders, which is already considerably overdue.

2. While our proposal is under the consideration of the French Government that Government is taking active measures to alter the *status quo* to the prejudice of the rights of the existing shareholders and creditors of the Imperial Ethiopian Railway Company.

Since we addressed you on the subject on the 12th February information has reached us from Abyssinia to the effect that the French Government, through its local Agents and Representatives, both in Abyssinia and the French Colony of Somaliland, is, either in its own name or in the name of the new Company which has been formed under its auspices, exercising rights of possession over the railway, notwithstanding the fact that, as we are advised, no legal transfer of the assets of the Imperial Ethiopian Railway Company has been made either to the French Government or to the new Company.

In Paris a new Company has, in fact, been formed under the designation "Compagnie du Chemin de Fer de Djibouti à Addis-Ababa" with a share capital of 1,000,000 fr., power being taken to increase the share capital to 17,000,000 fr. and to issue debentures. This is the Company to which, under the menaces addressed to him by the French Government, the liquidator of the Ethiopian Railway Company has been authorized by the "Juge-Commissaire" to transfer the assets of that Company, though, as we have already indicated, the transfer has not been carried out, and has not received the assent either of the shareholders or of the creditors of the Company.

The situation created by the action of the French Government is so extraordinary that we feel we shall have some difficulty in explaining to the British shareholders, who have invested their capital in a French Company under the circumstances set out in our letter of the 12th February, why their interests are treated with such gross and flagrant injustice by the Government of the Republic, while publicly professing that its attitude towards the Government and the people of this country is not only friendly but cordial.

We would again venture to point out in the most emphatic manner that the attitude hitherto maintained by the French Government towards those whose interests

we represent is in no way justified by the necessity of preserving the French character of the railway to Adis Ababa.

From the moment when we became aware that His Majesty's Government acquiesced in the construction and maintenance of the railway under exclusively French auspices, we have expressed our willingness to retire from the enterprise on the sole condition that reasonable compensation should be given for our commercial interests. It was therefore unnecessary for the French Government to wreck the Ethiopian Railway Company in order to get rid of "foreign," i.e., British, influence in that Company.

In placing on record our thanks for the representations which have already been made by the Foreign Office to the French Government on behalf of the interests we represent, we would venture very respectfully to beg that you will give this matter your immediate attention, and to express the hope that we may receive a favourable reply at an early date.

We have, &c.
(Signed) OCHS BROTHERS,
Managing Directors.

Inclosure 1 in No. 108.

Extract from the "Bulletin du Comité de l'Afrique Française" of March 1908.

[See Inclosure in No. 111.]

Inclosure 2 in No. 108.

Extract from the "Revue de Kergali" of March 28, 1908.

VOICI exactement, pour répondre à diverses questions, où en sont les choses en ce qui concerne la Compagnie du Chemin de Fer de Djibouti à Addis-Ababa :

Le 30 Janvier un Accord a été signé entre la France, représentée par M. Klobukowski, et Ménélik, qui a transféré la Concession à une Société nouvelle que lui présentait le Gouvernement Français, et constituée sous le nom de Compagnie du Chemin de Fer de Djibouti à Addis-Ababa.

La mission extraordinaire de M. Klobukowski à Addis-Ababa étant alors heureusement remplie, M. Brice, notre nouveau Ministre en Éthiopie, a pris les services de son poste.

Dans les premiers jours de Février, une Convention a été signée entre le Gouvernement et les représentants de la Compagnie nouvelle. Cette Convention règle le concours que l'État devra donner à la Société pour assurer l'achèvement de la ligne. Elle devra donc être soumise à la ratification des Chambres. Mais, en attendant, la Compagnie du Chemin de Fer de Djibouti à Addis-Ababa—constituée, il convient de le rappeler, par un consortium de tous les grands établissements de crédit du pays—va faire immédiatement sur place les études lui permettant de commencer, dans le plus bref délai possible, les travaux que le Négous, d'après les nouvelles reçues d'Addis-Ababa, attend avec une vive impatience.

Deux missions techniques, l'une constituée par la Compagnie et l'autre par le Gouvernement, se sont embarquées sur le paquebot du 25 Mars pour faire de concert l'évaluation des travaux nécessaires pour parer aux malfaçons de la ligne jusqu'à Diré-Daoua et prolonger sa construction jusqu'à Addis-Ababa.

Le Conseil d'Administration de la nouvelle Société est composé de MM. Roume, Président; Boucard, H. E. Boyer, Caraby, Einhorn, Général Famin, de la Fontaine, Octave Homberg, Laureçon, Charles Michel, Raindre, Marquis de Reverseaux, Administrateurs. M. Octave Homberg a été nommé Administrateur-Délégué. En outre, l'un des Administrateurs, M. H. E. Boyer, a été chargé par le Conseil d'une mission spéciale auprès de l'Empereur Ménélik.

[11078]

No. 109.

Memorandum communicated by M. Cambon, March 31, 1908.

L'AMBASSADEUR de France s'était empressé de transmettre à son Gouvernement le Mémoire relatif à la réclamation de l' "International Ethiopian Railway Trust and Construction Company" contre la liquidation de la Compagnie Impériale des Chemins de Fer Éthiopiens que le Secrétaire d'État pour les Affaires Étrangères avait bien voulu lui remettre le 21 Février dernier.

Le Gouvernement de la République a examiné ce Mémoire avec la plus grande attention, mais cette étude ne l'a point amené à modifier ses vues, et il est obligé de maintenir les déclarations contenues dans la note de M. Paul Cambon en date du 31 Janvier dernier.

Cette note donnait dans son dernier paragraphe le texte des réserves sous lesquelles avait été donnée l'autorisation ministérielle du 1^{er} Mars, 1906, dont fait principalement état l' "International Ethiopian Railway Trust." Ces réserves dégageaient complètement la responsabilité du Gouvernement Français tant au regard de la Compagnie Impériale des Chemins de Fer Éthiopiens que vis-à-vis des tiers quelconques. La Société Anglaise n'ignorait pas la valeur de ces réserves lorsqu'elle a prêté son concours à la Compagnie Impériale, et elle est aujourd'hui mal fondée à revendiquer un traitement privilégié que le Gouvernement de la République ne lui a pas reconnu.

D'autre part, le Mémoire du 21 Février dernier attire l'attention sur "ce fait que le gage de l' "International Ethiopian Railway Trust" aurait été maintenant définitivement réduit à une fraction de sa valeur par l'intervention récente du Gouvernement Français, qui aurait insisté pour la cession de l'actif de la Compagnie des Chemins de Fer Éthiopiens à une Compagnie nouvelle, sous la menace d'une déchéance forcée, et à un prix que le liquidateur officiel considérerait lui-même comme insuffisant et qui serait de beaucoup inférieur à son évaluation la plus modérée."

L'intervention du Gouvernement Français dans la liquidation de la Compagnie Impériale des Chemins de Fer Éthiopiens est ainsi présentée d'une manière inexacte. La liquidation de la Compagnie Impériale se poursuivait suivant la procédure légale, et si le Gouvernement Français est intervenu dans l'acte de cession consenti par le liquidateur à une Compagnie nouvelle, son intervention a eu pour but de protéger les intérêts de tous les créanciers intéressés.

Les agissements de la Compagnie Impériale des Chemins de Fer Éthiopiens, et notamment les dernières opérations qu'elle avait faites avec l' "International Ethiopian Railway Trust and Construction Company," avaient pour résultat d'accroître indéfiniment son passif et de l'acculer ainsi à la faillite. Ces agissements constituaient en outre la violation flagrante de la Convention qui la liait à l'État Français et plaçaient par suite cette Compagnie sous le coup de la déchéance. L'État Français avait légalement le droit et le pouvoir de faire prononcer cette déchéance, qui aurait entraîné la confiscation de l'actif de la Compagnie Impériale des Chemins de Fer Éthiopiens et la suppression radicale du gage des créanciers.

On ne saurait donc, pour soutenir les revendications de l' "International Ethiopian Railway Trust," tirer argument de l'intervention du Gouvernement Français, qui, dans la forme où elle s'est produite, a eu pour effet de sauvegarder les intérêts de tous les créanciers et, en conséquence, ceux des porteurs Anglais.

*Ambassade de France, Londres,
le 30 Mars, 1908.*

[10680]

No. 110.

Sir Edward Grey to Sir J. Harrington.

(No. 7. Africa.)
(Telegraphic.) P.

Foreign Office, April 1, 1908.

SOUTHERN frontier. Your telegram No. 17.

On the arrival of a despatch on this subject, which should reach you about the 14th instant, I should be glad if you would telegraph to me your views.

Regarding the proposal contained in your telegram, I am consulting the Colonial Office on the matter.

[1557]

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[11153]

No. 111.

Sir F. Bertie to Sir Edward Grey.—(Received April 2.)

(No. 20. Africa.)

Sir,

Paris, March 30, 1908.

I HAVE the honour to transmit to you herewith, extracted from the "Bulletin du Comité de l'Afrique Française," an article respecting the Ethiopian Railway negotiations.

The article mentions the signature of the Agreement between M. Klobukowski and the Emperor Menelek on the 30th January last for the transfer of the Concession to a new Company supported by the French Government, and called "La Compagnie du Chemin de Fer de Djibouti à Addis-Ababa." A Convention, this article states, was signed between the French Government and the new Company in the first days of February. The new Company, formed by a *consortium* of the chief credit establishments of France, intends to initiate at once the preliminary studies for the new works. Two Technical Committees, one constituted by the Company and the other by the Government, were to leave for Abyssinia on the 25th instant.

The article concludes by a protest against the intrigues which it alleges have been carried on by certain persons belonging to the old Company, and which had for their object the wrecking of the solution of the question adopted finally by the French Government.

I have, &c.

(Signed) FRANCIS BERTIE.

Inclosure in No. 111.

Extract from the "Comité de l'Afrique Française," March, 1908.

EN apprenant que la nomination de M. Klobukowski au gouvernement général de l'Indo-Chine est probable, sinon encore officielle, nos lecteurs se seront doutés qu'un nouveau pas décisif a été fait dans la question du Chemin de Fer d'Éthiopie, pour la solution Française de laquelle nous avons lutté pendant trois ans. Voici, en effet, où en sont les choses : Le 30 Janvier l'Accord a été signé entre la France, représentée par M. Klobukowski, et Ménélik, qui a transféré la Concession à une Société nouvelle que lui présentait le Gouvernement Français, et constituée sous le nom de "Compagnie du Chemin de Fer de Djibouti à Addis-Ababa."

La Mission Extraordinaire de M. Klobukowski à Addis-Ababa étant alors heureusement remplie, M. Brice, notre nouveau Ministre en Éthiopie, a pris les services de son poste.

Dans les premiers jours de Février une Convention a été signée entre le Gouvernement et la Compagnie nouvelle. Cette Convention, dont notre dernier bulletin indiquait les grandes lignes, règle le concours que l'État devra donner à la Société pour assurer l'achèvement de la ligne. Elle devra donc être soumise à la ratification des Chambres. Mais, en attendant, la Compagnie du Chemin de Fer de Djibouti à Addis-Ababa, constituée, il convient de le rappeler, par un *consortium* de tous les grands établissements de crédit du pays, va faire immédiatement sur place les études lui permettant de commencer, dans le plus bref délai possible, les travaux que le Négous, d'après les nouvelles que nous recevons d'Addis-Ababa, attend avec une vive impatience. Deux Missions Techniques, l'une constituée par la Compagnie et l'autre par le Gouvernement, s'embarqueront sur le paquebot du 25 Mars pour faire de concert l'évaluation des travaux nécessaires pour parer aux malfaçons de la ligne jusqu'à Diré-Daouah et prolonger sa construction jusqu'à Addis-Ababa.

Les choses sont donc en bonne voie et suivent leur cours normal. On s'étonnera peut-être cependant d'apprendre que des hommes appartenant à l'ancienne Compagnie ou gravitant autour d'elle essaient encore de barrer la route à la politique du Gouvernement. Nous avons eu écho des intrigues qu'ils ont tentées, tout dernièrement encore, à Addis-Ababa et à Paris, pour faire échouer la solution Française, qu'ils ont toujours combattue et que le Gouvernement a fini par adopter, malgré tous leurs efforts. A défaut de toute autre vertu, on est donc obligé, tout au moins, de reconnaître de

l'audace à des personnages auxquels la révélation de faits, tels que ceux de la gestion de l'ancienne Compagnie, n'a pas pu imposer le silence. On peut, en vérité, dire d'eux, mais avec moins d'admiration que Napoléon ne le disait des Russes, qu'il est des gens qu'il faut tuer deux fois pour les faire tomber.

[10681]

No. 112.

Foreign Office to Colonial Office.

Sir,

Foreign Office, April 2, 1908.

I AM directed by Secretary Sir E. Grey to transmit to you herewith, to be laid before the Earl of Elgin, a paraphrase of a telegram which he has received from His Majesty's Minister at Adis Ababa in regard to the delimitation of the southern frontier of Abyssinia.*

Sir John Harrington states that it is desirable that delimitation should be proceeded with as soon as possible, and that the Emperor Menelek is desirous that Lieutenant-Colonel Delme Radcliffe, or, failing him, Major Gwynne, should be employed as Commissioner.

Sir Edward Grey would be glad to be favoured with the Earl of Elgin's opinion in regard to the appointment of the above-named officers.

I am, &c.

(Signed) LOUIS MALLET.

[10680]

No. 113.

Foreign Office to Colonial Office.

Sir,

Foreign Office, April 2, 1908.

WITH reference to the letter from this Department of the 20th ultimo, respecting protection of the frontier between Abyssinia and the East Africa Protectorate, I am directed by Secretary Sir E. Grey to transmit to you herewith, to be laid before the Secretary of State for the Colonies, a paraphrase of a telegram which has been received from His Majesty's Minister at Adis Ababa in regard to the matter.†

I am to observe that some time must necessarily elapse before a scheme for the efficient protection of the frontier can be drawn up and brought into working order; and in these circumstances Sir J. Harrington's suggestion as to an immediate increase of the Inspector's escort seems worth consideration, more especially as the additional expenditure involved is only 500*l.*, while the loss in ivory to the Protectorate, in consequence of inefficient protection of the frontier, is estimated by Sir J. Harrington at 3,000*l.*

In these circumstances, perhaps, Lord Elgin might be willing to approach the Treasury with a view to obtaining their sanction to the additional expenditure of 500*l.* advocated by Sir J. Harrington.

For the arrangements made when Mr. Zaphiro was appointed Inspector of the frontier, I am to refer to the letter from this Department of the 4th January, 1907.

I am, &c.

(Signed) LOUIS MALLET.

[11279]

No. 114.

Sir F. Bertie to Sir Edward Grey.—(Received April 3.)

(No. 22. Africa.)

Sir,

Paris, April 1, 1908.

ON receipt of your despatch No. 16, Africa, of the 27th February in regard to the Ethiopian Railway, I addressed a communication to the French Minister for Foreign Affairs inquiring whether His Majesty's Government were correct in assuming that the "interior taxes" alluded to in M. Geoffroy's note of the 8th January last refer only to road-tolls and transit dues, and not to any other dues or taxes levied by the Abyssinian Government within their frontiers.

* No. 106.

† No. 105.

I have the honour to transmit to you herewith a copy of M. Pichon's reply, stating that the interior taxes from which goods carried by the railway are to be exempted comprise the whole of the dues levied by the Abyssinian Government on goods transported by road and by caravan between Dirré-Daoua and Adis Ababa, exclusive of the customs duties.

I have, &c.
(Signed) FRANCIS BERTIE.

Inclosure in No. 114.

M. Pichon to Sir F. Bertie.

PAR un aide-mémoire en date du 29 Février dernier, son Excellence l'Ambassadeur d'Angleterre a bien voulu exprimer le désir de connaître quelles sont les taxes intérieures dont seront exemptées les marchandises transportées par le chemin de fer de Djibouti à Addis-Ababa et qui acquitteront, par contre, une taxe de 6 pour cent *ad valorem*.

Le Ministre des Affaires Étrangères a l'honneur de faire connaître à Sir Francis Bertie que les taxes intérieures dont seront exemptées les marchandises transportées par le chemin de fer comprennent l'ensemble des droits que le Gouvernement Éthiopien perçoit actuellement sur les marchandises transportées, par les routes et par caravanes, de Dirré-Daoua à Addis-Ababa, ou réciproquement, abstraction faite, bien entendu, des droits de douane.

Paris, le 31 Mars, 1908.

[10007]

No. 115.

Sir Edward Grey to Count de Bosdari.

Sir,

Foreign Office, April 8, 1908.

I HAVE the honour to acknowledge the receipt of your note of the 19th ultimo, in which you request to be furnished with the views of His Majesty's Government in regard to the maintenance of the transit dues and tolls in addition to the Customs Tariff on goods carried from and through Abyssinia by means other than the Jibuti-Adis Ababa Railway.

In reply, I regret to have to inform you that I am still without the necessary elements for expressing a definite opinion on the subject.

I have, &c.
(Signed) E. GREY.

[12316]

No. 116.

Count de Bosdari to Sir Edward Grey.—(Received April 10.)

(Translation.)

Sir,

Italian Embassy, London, April 8, 1908.

WITH reference to the note which you were good enough to address to the Marquis of San Giuliano, under date of the 31st January last, in regard to the identic instructions to be given to the Representatives of Italy, Great Britain, and France, at Adis Ababa, I have the honour to inform you that the Italian Government have received intelligence that the new French Minister has arrived in the Abyssinian capital. In a conversation held by him with Count Colli and Sir John Harrington, he declared that he had received formal orders from the Government of the Republic to await the instructions which will be communicated to him in connection with the proposal put forward by the Italian Government, for identic instructions to be given by the respective Governments to the Representatives of the three Powers in Ethiopia, and therefore to reserve his opinion about them, as he had not been questioned on the matter by his Government.

As it is the opinion of the Italian Government that it is to the common interest of the three Powers not to put off any further the task of drawing up the identic

instructions, the Italian Ambassador at Paris has been directed to ask M. Pichon to hasten, as far as possible, his reply on the matter.

His Excellency Senator Tittoni has accordingly charged me to ask you to bring pressure to bear on the French Government in the same sense.

In anticipation of such communications as you may be good enough to address to me on the subject, I avail, &c.

(Signed) A. DE BOSDARI.

[12324]

No. 117.

Colonial Office to Foreign Office.—(Received April 10.)

Sir,

Downing Street, April 9, 1908.

I AM directed by the Earl of Elgin to acknowledge the receipt of your letter of the 2nd April on the subject of the delimitation of the southern frontier of Abyssinia.

2. I am to request you to inform Secretary Sir Edward Grey that Lord Elgin is of opinion that if Major Gwynn is available he should be employed as Commissioner on the delimitation.

3. If Sir E. Grey concurs, Lord Elgin will cause steps to be taken as soon as possible to obtain the approval of the Lords Commissioners of the Treasury to the expenditure involved by the delimitation, and to arrange with the War Office for the selection of the members of the Commission.

4. His Lordship would suggest that Dr. R. E. Drake Brockman of the Somaliland Protectorate should accompany the Commission as medical officer. He is admirably fitted for the post.

I am, &c.
(Signed) R. L. ANTROBUS.

[12324]

No. 118.

Sir Edward Grey to Sir J. Harrington.

(No. 8.)

(Telegraphic.) P.

Foreign Office, April 10, 1908.

SOUTHERN frontier delimitation.

I presume that Emperor Menelek will have no objection to the appointment of Major Gwynn as Senior Boundary Commissioner, and Captain Maud as Second Commissioner. Captain Maud has an intimate knowledge of the country.

See your telegram No. 18, received on the 28th ultimo.

[12425]

No. 119.

Sir J. Harrington to Sir Edward Grey.—(Received April 11.)

(No. 10.)

Sir,

Adis Ababa, March 21, 1908.

WITH reference to your despatch No. 4 dated the 13th January last, I have the honour to submit the following observations:—

I have no further information regarding the new Franco-Abyssinian Treaty of Commerce other than that given in Mr. Hohler's despatches Nos. 82 and 88 of the 10th and 19th December, 1907. Count Colli's Report may be taken as substantially correct.

Mr. Hohler has in the above-mentioned despatches drawn attention to the fact that M. Klobukowski has obtained the legalization of the system existing previous to his arrival as regards Europeans. The arrangement made has one advantage, in so far as it recognizes the jurisdiction of European Representatives over their own subjects.

It has, however, the disadvantage that it practically admits Abyssinian jurisdiction over Europeans, which under existing circumstances is highly undesirable, as the written law in this country, even were it observed, which it is not, is utterly unsuited to modern conditions.

The Treaty if ratified by the French Government will render, in my opinion, any

[1557]

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amelioration of the situation, owing to the peculiar sensitiveness of the Emperor Menelek where his sovereign rights are concerned, more difficult than ever.

It is extremely difficult to suggest a scheme which would avoid the disadvantages of the system apparently agreed to by the French and yet be acceptable to the Emperor Menelek.

The only alternative scheme I can suggest, though with little hope of success, is that we should urge on the Emperor a revision of the existing Abyssinian written law so as to bring it more into line with present day needs, and the appointment by him of an European Judge to assist the Abyssinian Judges in dealing with cases in which Europeans are concerned.

I have consulted with my Italian and French colleagues, the former favours my idea and so does the latter, who admitted that M. Klobukowski's arrangement was, though an amelioration, not perfection, but he was careful to add that it was only a personal opinion and not that of the French Minister.

I have, &c.
(Signed) J. L. HARRINGTON.

[12439]

No. 120.

Sir E. Egerton to Sir Edward Grey.—(Received April 11.)

(No. 15. Africa.)

Sir,

Rome, April 7, 1908.

I HAVE the honour to report that I yesterday addressed to Signor Tittoni a Memorandum in the terms of your despatch No. 8 of the 21st ultimo, placing on record the importance of a definite understanding as to the interpretation of Article 10 of the Agreement of 1906, which M. Klobukowski contended applied merely to Article 3 of the Agreement, which is confined to one point only.

Signor Tittoni observed to me that M. Klobukowski appears to be a very inaccurate and troublesome colleague to the English and Italian Representatives, and he had more than once complained of him to M. Barrère, and trusted he would not return in any capacity to Adis Ababa.

I believe the Marquis di San Giuliano is due in Rome to-day, but will return to the country again before starting for London.

I have, &c.
(Signed) EDWIN H. EGERTON.

[13302]

No. 121.

Sir J. Harrington to Sir Edward Grey.—(Received April 18.)

(No. 12)

Sir,

Adis Ababa, March 28, 1908.

I HAVE the honour to acknowledge receipt of your despatch No. 17 of the 20th February last, and to submit the following observations.

I can arrange for a certain amount of tuition in English being given in this Legation, with a view to training men as interpreters, but in my opinion, judging from personal experience of Abyssinians, no scheme which does not involve sending them away to complete their education elsewhere is likely to provide us with useful men. More than three quarters of the value of an interpreter consists in his understanding what he is talking about, and an Abyssinian who has never been outside his own country would be almost worthless as a medium for translation.

As regards the legations of the other Powers, the Russians have met the difficulty by sending men to Russia to be educated, the French and Italians have the French Roman Catholic Mission at Harrar, and Swedish Mission in Erythræa respectively to draw on for promising men, whom they send to Europe.

A number of French and Italian private individuals have taken Abyssinian servants to Europe, and given them a certain amount of education which gives these Powers a further supply of men to draw on.

The Germans are, if anything, in a worse position than we, and I am unaware what they propose doing.

Every interpreter used by the various Legations at the present time has had a certain amount of education in Europe.

The question of the future supply of interpreters is a most difficult one, and rendered more complicated because it is almost impossible to obtain a guarantee for the cost of education should the men turn out unsatisfactory or security that they will serve the Legation for a term of years.

The only possible solution of the question that occurs to me is to establish a school in the Legation with free education in Amharic and English for a limited number of boys, and to send to England a certain number of the most promising to complete their education if we wish to obtain competent interpreters.

The experiment of a local school could be tried at an expenditure of 120l. per annum for instructor and books and 20l. for temporary school house.

Education in England including travelling, clothes, &c., would cost about 80l. a-head per annum.

Failing some such scheme, the only alternative is to arrange for a supply of student interpreters as is done in China. This plan, however, would still require a certain number of decently qualified native interpreters, and probably be found more expensive than educating natives on the lines suggested.

I have, &c.
(Signed) J. L. HARRINGTON.

[13303]

No. 122.

Sir J. Harrington to Sir Edward Grey.—(Received April 18.)

(No. 13.)

Sir,

Adis Ababa, March 28, 1908.

I HAVE the honour to acknowledge your despatch No. 9 of the 5th February last, forwarding a copy of the Italian Ambassador's note of the 22nd January, and to submit the following observations.

The suggested instructions proposed by the Italian Government, if loyally carried out, would prevent the Emperor from benefiting by differences between the Representatives of the three Signatory Powers to the Agreement of 1906, and would probably render diplomatic representations more efficacious than they are at present.

The interpretation of the Agreement prevalent among the Abyssinians is not that the three Powers are working in accord, but that France has been given a free hand by Great Britain and Italy.

As regards Article 2 of the note, I am of opinion that it is desirable the action of the three Representatives in the case of concessions should be confined to opposing, within their means, those contrary to the Agreement.

The proposed instructions will doubtless limit the personal initiative of the Representatives, but if the Agreement was honestly meant to put an end to the rivalry between the three Powers in Abyssinia, and to the Emperor's benefiting by it, the only way this can be accomplished is by issuing identical instructions to the Ministers of the Signatory Powers.

The above remarks are made on the presumption that the instructions will be loyally obeyed.

I have, &c.
(Signed) J. L. HARRINGTON.

[13480]

No. 123.

Sir J. Harrington to Sir Edward Grey.—(Received April 18.)

(No. 20.)

(Telegraphic.) P.

Adis Ababa, April 17, 1908.

THE Emperor accepts the Boundary Commissioners proposed in your telegram No. 8.

[13481]

No. 124.

Sir J. Harrington to Sir Edward Grey.—(Received April 18.)

(No. 21.)

(Telegraphic.) P.

Adis Ababa, April 17, 1908.

YOUR despatch No. 26 of the 20th March and your telegram No. 7.

The Frontier Inspectors can be placed under the control of the Legation, but before the Emperor is approached as to the proposed arrangement, I think it would be advisable that the frontier should be delimited. If the Frontier Inspector is given the number of men previously asked for, he will be able to carry on temporarily in the meantime.

A despatch on the subject will follow by post.

[12316]

No. 125.

Sir Edward Grey to Sir F. Bertie.

(No. 26. Africa.)

Sir,

Foreign Office, April 18, 1908.

WITH reference to my despatch No. 24, Africa, of the 21st March last, I transmit to you herewith a copy of a note which has been addressed to me by the Italian Chargé d'Affaires,* in regard to the identic instructions to be given to the Representatives of Great Britain, France, and Italy, at Adis Ababa, on the subject of the interpretation of Article 10 of the Tripartite Agreement of the 13th December, 1906.

Count de Bosdari states that the Italian Ambassador at Paris has been instructed to request M. Pichon to hasten, as far as possible, his reply to the representations addressed to him in the matter, and requests that His Majesty's Government will bring pressure to bear on the French Government in the same sense.

You should take an early opportunity of expressing to the French Minister for Foreign Affairs the hope entertained by His Majesty's Government that he may shortly be in a position to reply to the communication on the subject which was doubtless made to him in obedience to the instructions contained in my despatch No. 24, Africa, of the 21st ultimo.

I am, &c.
(Signed) E. GREY.

[12324]

No. 126.

Foreign Office to Colonial Office.

Sir,

Foreign Office, April 18, 1908.

I AM directed by Secretary Sir E. Grey to acknowledge the receipt of your letter of the 9th instant respecting the delimitation of the southern frontier of Abyssinia, and to transmit to you herewith, to be laid before the Secretary of State for the Colonies, a paraphrase of a telegram to His Majesty's Minister at Adis Ababa, drafted with the concurrence of your Department, inquiring whether the appointment of Major Gwynne and Captain Maud as Commissioners would be agreeable to the Emperor Menelek.†

Sir E. Grey will be glad if the Earl of Crewe will take the necessary steps to obtain the sanction of the Treasury to the expenditure involved by the labours of the Commission.

Sir E. Grey concurs in the suggestion that Dr. Drake Brockman should accompany the Commission as medical officer.

I am, &c.
(Signed) LOUIS MALLET.

* No. 116.

† No. 118.

[13556]

No. 127.

Mr. G. Barclay to Sir Edward Grey.—(Received April 21.)

(No. 3. Africa.)

Sir,

Pera, April 17, 1908.

WITH reference to my despatch No. 2, Africa, of the 10th ultimo, I have the honour to report that I received yesterday a telegram from His Majesty's Consul at Jerusalem, regarding a proposal made by the Mutessarif with a view to the settlement of the dispute between the Copts and Abyssinians. Negotiations between the Coptic Bishop and the Abyssinian Bishop, who is now in Jerusalem, having proved abortive, the Mutessarif has suggested that the use of the Chapel of the Four Animals should be restored to the Abyssinians, but this compromise has not been well received by the Coptic Bishop. The Mutessarif had begged Mr. Blech to urge its acceptance on the Coptic Bishop, but he did not feel authorized to take any action in the matter nor has he been approached by either side.

I telegraphed the substance of this communication to His Majesty's Agent and Consul-General at Cairo, informing him that this proposal had been made by order of the Sultan, and without the official knowledge of the Porte, whose attitude His Imperial Majesty considers too uncompromising in view of the rights which the Abyssinians formerly enjoyed. I suggested that this concession which would grant only a small part of the Abyssinian claims might commend itself to Sir E. Gorst as a means of closing a troublesome question, and in that case that the Coptic Bishop should be instructed to adopt a conciliatory attitude.

I have, &c.
(Signed) G. BARCLAY.

[13481]

No. 128.

Foreign Office to Colonial Office.

Sir,

Foreign Office, April 23, 1908.

WITH reference to the letter from this Department of the 2nd instant respecting the protection of the frontier between Abyssinia and the East Africa Protectorate, I am directed by Secretary Sir E. Grey to transmit to you herewith, to be laid before the Secretary of State for the Colonies, a paraphrase of a telegram on the subject from His Majesty's Minister at Adis Ababa.*

I am to inquire whether the Treasury has been approached in regard to the additional expenditure of 500L. proposed by Sir J. Harrington for the protection of the frontier, as suggested in the letter from this Office above referred to, and, if so, whether the Lords Commissioners have sanctioned this arrangement.

I am, &c.
(Signed) W. LANGLEY.

[10271]

No. 129.

Sir Edward Grey to Count Benckendorff.

Your Excellency,

Foreign Office, April 24, 1908.

WITH reference to the inquiry made by your Excellency at this Department on the 24th March last respecting the defence of the Legations at Adis Ababa, I have the honour to inform your Excellency that when this question was first discussed among the foreign Representatives in Abyssinia it seemed desirable to create a Legation quarter, somewhat on the lines of the foreign Legations at Peking, apart from the native town of Adis Ababa.

As your Excellency is doubtless aware, the grounds of the Russian and British Legations are contiguous, cover a considerable area, and are situated in a comparatively isolated position, north of the River Kabana. This position, which has the additional advantage of a supply of pure and uncontaminated water, seemed to be the best adapted for the purpose required, and accordingly the German and Italian Govern-

* No. 124.

[1557]

2 C

ments are now constructing Legations in the same region, directly adjoining the Russian Legation on its western side. I understand that the new French Legation will be built on the site of the present house, south of the River Kabana, but quite close to the other Legations to the north of that stream, and I believe that a substantial bridge will connect it with its neighbours.

The present British Legation is wholly unsuited for purposes of defence, and Sir J. Harrington's scheme, which I had the honour to forward to your Excellency on the 23rd September, 1907, was based on the necessity of constructing a new building, a work which is now being undertaken. The German and Italian Governments have equally been obliged to erect new buildings, but this consideration was never intended to apply to the Russian Legation, which I understand has only recently been finished. In this connection it appears to me probable that the project of the Russian Representative, to which your Excellency alluded when making your inquiry above referred to, has reference to the expenditure which he considers necessary in order to bring the existing Russian Legation into a condition to render it capable of meeting any attack, such as that for which the Legations of the other Powers are being designed, and thus able to take its share of a common defence. I am, however, requesting Sir J. Harrington to furnish me with a full report on the points raised by your Excellency, and I shall not fail to communicate his observations, when received, to your Excellency.

I have also the honour to inform your Excellency that Sir J. Harrington's scheme was communicated to the French Government on the 23rd September, 1907, at the same time as to your Excellency, and was by them referred to their Minister in Adis Ababa for his observations, which have not yet reached this Department.

I have, &c.
(Signed) E. GREY.

[10271]

No. 130.

Sir Edward Grey to Sir J. Harrington.

(No. 37.)

Sir,

Foreign Office, April 24, 1908.

WITH reference to my despatch No. 10 of the 5th February last, relating to the question of the defence of the Legations at Adis Ababa, I transmit to you herewith a copy of a Memorandum which was communicated to me by the Russian Ambassador on the 24th ultimo, together with a copy of the reply which I have returned to his Excellency.*

I request that you will furnish me with any observations you may have to offer on this subject, and that you will inform me of the general state of this question at the present time.

You should at the same time forward a sketch map of the nature indicated by Count Benckendorff in his Memorandum.

I am, &c.
(Signed) E. GREY.

[14362]

No. 131.

Sir F. Bertie to Sir Edward Grey. — (Received April 27.)

(No. 28. Africa.)

Sir,

Paris, April 24, 1908.

WITH reference to my despatch No. 27, Africa, of the 22nd instant, I have the honour to transmit to you herewith copy of a Memorandum from the French Minister for Foreign Affairs respecting the interpretation of the Abyssinian Tripartite Agreement.

M. Pichon states that the French Government are in complete agreement with the views held by His Majesty's Government on the subject. These views are identical with those set forth in a letter from M. Klobukowski to Sir John Harrington dated the 16th February last. A copy of this letter accompanies the Memorandum, and

* Nos. 103 and 129.

M. Pichon explains certain points therein which may have caused an erroneous impression as to the meaning which M. Klobukowski attached to the interpretation of the Treaty.

I have, &c.
(Signed) FRANCIS BERTIE.

[Inclosure 1 in No. 131.]

Memorandum communicated by M. Pichon to Sir F. Bertie.

PAR une note en date du 23 Mars dernier l'Ambassadeur d'Angleterre a bien voulu exposer qu'il paraissait y avoir une différence considérable entre les vues du Représentant Britannique et celles du Représentant Français en Éthiopie au sujet de l'interprétation de l'Article 10 de l'Arrangement du 13 Décembre, 1906, que son Gouvernement estimait désirable qu'une entente précise fût établie sur cette question, et que, dans l'opinion du Gouvernement de Sa Majesté, l'Article 10 de l'Arrangement du 13 Décembre doit s'appliquer à la politique générale des trois Puissances Signataires en Abyssinie, et non pas (ainsi que M. Klobukowski semble l'entendre) spécialement à l'Article 3 de l'Arrangement qui vise uniquement le cas de la politique à suivre dans l'éventualité où des compétitions ou des changements intérieurs se produiraient en Éthiopie.

Le Ministre des Affaires Étrangères a l'honneur de faire connaître à son Excellence Sir Francis Bertie que l'opinion du Gouvernement de la République est conforme à celle du Gouvernement Britannique, telle qu'elle est exposée dans la note précitée, et que cette opinion concorde entièrement avec les vues exprimées à ce sujet par M. Klobukowski dans une lettre adressée à Sir John Harrington le 16 Février, 1908, et dont la copie est ci-annexée.

La prétendue divergence signalée comme existant entre les vues des Représentants Français et Anglais sur cette question paraît en effet résulter d'une interprétation erronée de la lettre ci-jointe. Dans cette lettre M. Klobukowski n'a pas écrit que l'Article 10 se rapportait à l'Article 3 de l'Arrangement, mais, après avoir exposé en trois points le but de l'Arrangement du 13 Décembre, d'après le préambule même de cet Arrangement, il a exprimé l'opinion que l'Article 10 concernait spécialement l'exécution du troisième point, c'est-à-dire: "Pouvoir à ce que, de l'action des trois États Signataires protégeant leurs intérêts respectifs, il ne résulte pas de dommages préjudiciables aux intérêts de l'une quelconque des trois Puissances."

Si M. Klobukowski a cru devoir marquer dans sa lettre à Sir J. Harrington que l'Article 10 concernait spécialement ce point du préambule, c'est parce qu'il a pensé, avec raison, que c'était dans l'exercice de la protection des intérêts de leur Gouvernement et de leurs nationaux que les Représentants des trois États Signataires trouveraient les occasions les plus fréquentes et les plus opportunes de s'inspirer des dispositions prévues à l'Article 10, mais il ne s'ensuit nullement dans l'esprit du Gouvernement de la République, non plus que dans l'opinion de M. Klobukowski ou dans celle du Représentant actuel Français à Addis-Ababa, que l'Article 10 ne soit pas applicable aux autres éventualités prévues dans l'Arrangement du 13 Décembre, 1906, et à la politique générale des trois Puissances Signataires.

Paris, le 22 Avril, 1908.

[Inclosure 2 in No. 131.]

M. Klobukowski to Sir J. Harrington.

Mon cher Collègue,

Addis-Ababa, le 16 Février, 1908.

DEPUIS votre arrivée à Addis-Ababa, nous nous sommes entretenus et nous avons correspondu longuement.

Pour compléter nos échanges de vues et leur donner, en même temps qu'une forme précise, une conclusion, il me paraît utile de vous indiquer le sentiment de mon Gouvernement au sujet de la portée de l'Accord de 1906 en général et de l'Article 10 en particulier.

Le but de l'Accord est nettement défini dans le préambule: (1) Prévenir toute espèce de troubles dans les conditions politiques de l'Empire Éthiopien; (2) arriver à

une entente commune en ce qui concerne la conduite à suivre en cas d'un changement de situation dans cet Empire; (3) pourvoir à ce que de l'action des trois États Signataires protégeant leurs intérêts respectifs, il ne résulte pas de dommages préjudiciables aux intérêts de l'une quelconque des trois Puissances.

L'Article 10 de l'Accord concerne spécialement l'exécution du troisième point; il a pour objective, d'une part, d'empêcher que l'un des Représentants Français, Anglais, ou Italien, entreprenne en faveur des intérêts nationaux dont il a la charge une action nuisible aux intérêts dont la défense est confiée à ses collègues et, d'autre part, d'assurer éventuellement à celui de ses Représentants qui en aurait besoin, dans un intérêt conciliable avec les stipulations de l'Accord de 1906, la coopération de ses deux collègues. Mais cet Article 10 ne saurait, à notre avis, avoir pour effet d'entraîner, pour chacun des Représentants à Addis-Ababa, l'obligation stricte de ne prendre aucune initiative personnelle, de ne rien faire ou rien dire sans l'assentiment préalable de ses collègues et de ne soumettre à son propre Gouvernement aucun projet avant d'en avoir obtenu une sorte d'autorisation de la part des Représentants étrangers.

À l'égard de Sa Majesté Ménélik, l'Accord de 1906 m'apparaît, non comme un moyen d'exercer une pression au moins amicale sur son Gouvernement, mais, au contraire, comme un *modus vivendi* qui, supprimant entre nous toute division, toute rivalité, nous permet, avec une entière liberté, de concilier les besoins, les intérêts de son pays avec les nôtres, de lui suggérer, après mûre délibération, les réformes à la fois utiles à ses sujets et profitables à nos nationaux; en un mot, d'établir entre nous et un Souverain—que suivant l'heureuse expression de Sir Edward Grey il faut persuader, et non pas intimider—un courant de confiance prenant sa source dans une collaboration amicale et individuelle strictement respectueuse de l'indépendance de son Empire.

Telle est, mon cher collègue, l'interprétation à laquelle, au cours de ma mission spéciale en Éthiopie, je me suis appliqué à conformer rigoureusement ma conduite.

Ce sera également, j'en suis certain, l'attitude de notre nouveau Ministre à Addis-Ababa, car il est au même degré que moi—et comme vous, je n'en doute pas—conscient aussi bien des avantages que doit avoir pour les contractants l'application loyale de l'Accord de 1906 que des graves difficultés auxquelles donnerait lieu une interprétation divergente de certaines de ses clauses.

(Signé) KLOBUKOWSKI.

[14575]

No. 132.

Papers communicated by Mr. T. I. Gilmour, April 28, 1908.

(1.)

Concession granted by the Emperor Menelek to the New Ethiopian Railway Company.

NOUS, Ménélik II, Roi des Rois d'Éthiopie, transférons au Dr. Vitallien, en tant que représentant de la nouvelle Société des Chemins de Fer Éthiopiens, l'Acte de Concession donné en 1894 (le 1^{er} Magabit de l'an de grâce 1886) à M. Alfred Ilg, Ingénieur, et cédé par ce dernier à une Compagnie, dans le but de construire et d'exploiter un chemin de fer, sous réserve des modifications qu'il nous a paru convenable d'apporter au dit Acte, et l'autorisons à construire un chemin de fer de notre frontière à Addis-Ababa.

Article 1^{er}. La Compagnie concessionnaire rentrera en possession du chemin de fer construit entre Djibouti et Diré-Daouah, l'exploitera et prolongera la ligne jusqu'à Addis-Ababa. L'acquisition de la partie du chemin de fer entre notre frontière et Diré-Daouah est à la charge de la nouvelle Compagnie.

La Compagnie concessionnaire prendra également à sa charge la créance de 2,300,000 fr. que possède l'Empereur contre les anciens concessionnaires privilégiés. Le Gouvernement Éthiopien et la Compagnie seront en collaboration dans l'entreprise du chemin de fer, et se sont entendus à cet effet. Le Gouvernement Éthiopien sera pour un quart dans l'entreprise du chemin de fer, et ce quart sera représenté soit par de l'argent, soit par des travaux. Les travaux faits par le Gouvernement Éthiopien seront estimés et portés à son actif pour entrer dans la composition de son quart. II.

en sera de même de la créance de 2,300,000 fr., dont la nouvelle Compagnie a pris la charge. Pour cette créance la Compagnie paiera au Gouvernement Éthiopien un intérêt annuel de 5 pour cent.

A moins d'impossibilité reconnue, la direction générale du chemin de fer sera de Diré-Daouah aux Assabots, des Assabots à l'Aouache, et de l'Aouache à Addis-Ababa par Bossette.

Art. 2. La durée de la présente Concession sera de quatre-vingt-dix-neuf ans, à dater du jour où les travaux seront terminés jusqu'à Addis-Ababa et l'exploitation commencée.

Dans la région du chemin de fer entre Djibouti et Addis-Ababa le Gouvernement Éthiopien n'autorisera la construction d'aucune ligne concurrente, ni d'embranchements; mais, pour les besoins de son pays, il se réserve le droit d'établir des routes aboutissant au chemin de fer.

La Compagnie sera tenue de commencer les travaux de la ligne entre Diré-Daouah et Addis-Ababa dans le délai d'un an à dater de la signature du présent contrat. Le délai pour la durée des travaux et le commencement de l'exploitation sera fixé à l'arrivée à Addis-Ababa des Ingénieurs de la Compagnie.

Art. 3. A partir du commencement de l'exploitation jusqu'à l'expiration de la Concession la Compagnie devra établir les trains nécessaires pour le service des marchandises et des voyageurs. Elle devra entretenir toujours en bon état, pour satisfaire aux besoins du commerce, le matériel de chemin de fer, et éviter toute interruption de service, sauf le cas de force majeure.

Art. 4. Pour toute la durée de la Concession, le Gouvernement Éthiopien mesurera et donnera à la Compagnie les terrains nécessaires à la construction du chemin de fer, des gares, des ateliers, et tout ce qui s'y rapporte. En outre, le Gouvernement Éthiopien concédera gratuitement à la Compagnie, pour le chemin de fer, une zone dont la largeur sera de 1,000 mètres depuis la frontière jusqu'à Diré-Daouah, de 200 mètres entre Diré-Daouah et l'Aouache, et de 50 mètres de l'Aouache à Addis-Ababa.

Le sous-sol des terrains concédés reste la propriété du Gouvernement Éthiopien. L'emplacement des gares sera fixé d'accord avec le Gouvernement Éthiopien. En cas de mobilisation ou de guerre, la Compagnie sera tenue d'arrêter les trains partout où ce sera nécessaire, même en dehors des stations, pour charger ou décharger des troupes ou du matériel de guerre. Dans ce cas le Gouvernement Éthiopien prévendra la Compagnie d'avance.

La Compagnie est autorisée pour la construction et l'exploitation du chemin de fer, à l'exclusion de toute autre entreprise, à prendre gratuitement, sur les terrains concédés pour le chemin de fer et ses dépendances, et partout où ce sera nécessaire, même en dehors de sa zone, les matériaux dont elle aura besoin, l'eau, le bois, la chaux, le sable, le ballast, &c.

Art. 5. La Compagnie concessionnaire établira le long de la voie, à ses frais, un fil téléphonique et télégraphique, et elle entretiendra les employés nécessaires à son fonctionnement. La Compagnie devra transmettre gratuitement par ce fil toutes les communications de service du Gouvernement Éthiopien. Si le premier fil ne suffisait pas, la Compagnie en établirait un second à ses frais. Le télégraphe sera établi partout où parviendra le chemin de fer. L'usage du télégraphe et du téléphone est réservé à la Compagnie et au Gouvernement Éthiopien à l'exclusion des particuliers. Toutefois, les voyageurs pourront se servir du télégraphe et du téléphone sur la présentation de leur billet.

Art. 6. La Compagnie ne pourra pas augmenter son capital sans entente préalable avec le Gouvernement Éthiopien. Il est, en outre, interdit à la Compagnie de disposer de son capital pour des entreprises autres que la construction et l'exploitation du chemin de fer. Il est également interdit à la Compagnie de céder le présent contrat ou d'engager le chemin de fer en tout ou partie, par vente, par association, par location, ou par tout autre moyen.

Art. 7. La Compagnie fera connaître au Gouvernement Éthiopien le montant de son capital social. Le Gouvernement Éthiopien voulant venir en aide à la Compagnie pour la construction du chemin de fer, l'autorise à percevoir sur toutes les marchandises transportées par le chemin de fer, à l'exception des marchandises du Gouvernement Éthiopien, une taxe de 6 pour cent, ce prélèvement étant en dehors des droits de douane perçus par le Gouvernement Éthiopien, et en plus des prix de transport. La perception de cette taxe se fera à Diré-Daouah. Elle sera applicable deux ans après le commencement des travaux. Sur ce prélèvement de 6 pour cent, 4 pour cent seront acquis à la Compagnie et 2 pour cent seront versés au Gouvernement

[1557]

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Éthiopien, qui, devant les utiliser au profit du pays, les emploiera à la construction de routes aboutissant au chemin de fer. Seules les marchandises importées et exportées par le chemin de fer seront exemptées jusqu'à leur lieu de destination de toute taxe en dehors des droits de douane.

Art. 8. Si les ressources provenant de son capital et de l'ensemble de ses recettes, augmentées du montant du prélèvement de 4 pour cent sur les marchandises autorisées par le Gouvernement Éthiopien, ne suffisent pas aux besoins de la Compagnie, celle-ci pourra recevoir l'aide du Gouvernement Français. Mais s'il n'y a pas de déficit la Compagnie ne pourra rien recevoir du Gouvernement Français.

Art. 9. La Compagnie ne pourra changer le tracé de la ligne déjà construite ou à construire sur le territoire Éthiopien, ni faire des embranchements sans le consentement du Gouvernement Éthiopien.

La Compagnie communiquera ses statuts au Gouvernement Éthiopien, et si ces statuts n'étaient pas établis en conformité des clauses du présent contrat, elle serait tenue de les modifier sur la demande du Gouvernement Éthiopien.

Art. 10. Le Gouvernement Éthiopien nommera un membre pour le représenter dans le Conseil d'Administration de la Compagnie. La Compagnie fera connaître au Gouvernement Éthiopien le nom de son Président et celui de son représentant à Addis-Ababa. Si ce représentant était en désaccord avec le Gouvernement Éthiopien la Compagnie devrait le remplacer. Pour assurer l'exécution du présent contrat, le Gouvernement Éthiopien nommera un contrôleur. Ce contrôleur sera chargé avec le contrôleur nommé par le Gouvernement Français de surveiller la construction et l'exploitation du chemin de fer. Ces frais de contrôle seront à la charge de la Compagnie.

Art. 11. Pour les voyageurs, ainsi que pour les marchandises la Compagnie fixera elle-même ses tarifs. Toutefois, ils ne devront pas être supérieurs aux tarifs actuels, mais plutôt inférieurs. Les bagages, les marchandises, et les Agents du Gouvernement Éthiopien seront transportés à demi-tarif; les voyageurs devront être munis de réquisitions du Gouvernement Éthiopien. Les marchandises du Gouvernement Éthiopien auront la priorité sur les autres pour l'expédition. En temps de guerre le chemin de fer sera mis à la disposition du Gouvernement Éthiopien, qui paiera les transports à la Compagnie au prix de revient. La Compagnie ne pourra faire entrer sur le territoire Éthiopien, ni en faire sortir, sans un ordre écrit du Gouvernement Éthiopien, des troupes ou du matériel de guerre. Si elle faisait de pareils transports sans ordres, elle devrait abandonner le chemin de fer au Gouvernement Éthiopien. Mais si la bonne foi de la Compagnie avait été surprise, elle serait autorisée à en faire la preuve contradictoirement avec le chargeur.

Art. 12. A titre de compensation pour la présente autorisation de construire un chemin de fer sur le territoire Éthiopien la Compagnie paiera au Gouvernement Éthiopien une redevance annuelle basée sur la recette kilométrique du chemin de fer. En partant de 6,000 fr. de recette kilométrique cette redevance sera de 15 pour cent sur l'excédent de recette entre 6,000 fr. et 8,000 fr., de 20 pour cent sur l'excédent de recette entre 8,000 fr. et 10,000 fr., et de 25 pour cent au delà de 10,000 fr. Cette redevance sera calculée pour toute la longueur de la ligne construite en territoire Éthiopien, et jouera jusqu'à l'expiration de la Concession.

Art. 13. Le Gouvernement Éthiopien protégera le chemin de fer contre toute atteinte sur le territoire de l'Empire et fournira les soldats chargés de le garder. Les gardiens seront logés et payés par la Compagnie; ils seront transportés gratuitement ainsi que leurs bagages et leurs provisions.

Si un accident quelconque arrivait au chemin de fer pour des causes que le Gouvernement Éthiopien n'aurait pu prévenir, celui-ci n'en serait pas responsable.

Art. 14. A l'expiration de cette Concession le chemin de fer et ses dépendances, ainsi que le matériel fixe depuis la frontière, deviendront propriété du Gouvernement Éthiopien sans indemnité. Le matériel roulant et les approvisionnements resteront la propriété de la Compagnie, mais le Gouvernement Éthiopien pourra les acquérir, en tout ou partie, moyennant paiement de leur valeur à dire d'expert.

Art. 15. Toutes les difficultés qui pourraient survenir entre le Gouvernement Éthiopien et la Compagnie au sujet de l'interprétation ou de l'exécution du présent contrat seront réglées par l'arbitrage. Le Gouvernement Éthiopien désignera un Arbitre, la Compagnie un autre; si ces deux Arbitres ne s'entendaient pas le Gouvernement Éthiopien et la Compagnie choisiraient un troisième Arbitre, qui déciderait sans appel.

Art. 16. Le Gouvernement Éthiopien nommera un représentant au Conseil d'Administration de la Compagnie. Ce représentant aura les mêmes attributions et

les mêmes émoluments que les autres membres de ce Conseil. La Compagnie établira un représentant à Addis-Ababa.

Art. 17. Le matériel, les métaux, le charbon, et toutes autres marchandises importées par le chemin de fer et nécessaires à son travail seront exempts de droits de douane.

Un droit de timbre sera perçu au profit du Gouvernement Éthiopien sur les lettres de voitures et les récépissés délivrés aux commerçants pour transport de marchandises. Ce droit de timbre est fixé à une demi-guerche par 100 fr. de prix de transport. Ce timbre représente un droit de statistique au profit du Gouvernement Éthiopien.

Art. 18. Il est interdit à la Compagnie de céder le présent contrat à un Gouvernement quelconque, ni à aucune Compagnie, soit par vente ou par échange.

Ce contrat est écrit en double exemplaire, dont l'un restera entre les mains du Gouvernement Éthiopien et l'autre entre les mains de la Compagnie.

Écrit à Addis-Ababa le 21 Teur de l'an de grâce 1900 (le 30 Janvier, 1908).

(Le Sceau.)

(Signé)

Docteur VITALIEN.

(2.)

M. Klobukowski to the Emperor Menelek.

Addis-Ababa, le 25 Juin, 1907.

Sire,

DANS l'audience que votre Majesté a bien voulu m'accorder aujourd'hui j'ai eu l'honneur de lui faire connaître que le Gouvernement Français, en témoignage de son amitié, et pour que votre Majesté ne subisse aucune perte par le fait de la mise en liquidation judiciaire de la Compagnie Impériale des Chemins de Fer Éthiopiens, prenait l'engagement de lui faire verser une redevance annuelle de 115,000 fr., égale au service de sa créance contre la dite Compagnie.

De son côté votre Majesté s'est engagée—

1. A donner la Concession du chemin de fer de Djibouti à Addis-Ababa à une nouvelle Société Française que le Gouvernement Français certifie bonne et sûre.
2. A participer à l'achèvement et à l'exploitation de la ligne par un mode de contribution arrêtée d'un commun accord.

D'autre part, nous sommes convenus de ce qui suit :—

1. Ceux des Articles de l'ancien contrat de 1894, et notamment les Articles 9 et 10, qui à l'expérience ont été reconnus défectueux ou manquant de clarté, seront modifiés d'un commun accord.
2. La nouvelle Société Française aussitôt formée enverra un délégué auprès de votre Majesté pour conférer avec elle.

Veillez, &c.

(Signé)

KLOBUKOWSKI.

(3.)

M. Klobukowski to the Emperor Menelek.

Addis-Ababa, le 30 Juin, 1907.

Sire,

J'ai eu l'honneur d'écrire à votre Majesté le 25 de ce mois pour bien indiquer les conditions de notre accord.

Pour prévenir toute objection, je dois ajouter que le Gouvernement Français ne certifiera bonne et sûre qu'une Société ayant pris en charge la créance de 2,000,000 de fr. d'une part, et d'autre part de 300,000 fr. que possède votre Majesté contre la Compagnie actuelle en liquidation.

Je déclare, en outre, à votre Majesté que les premiers arrérages de la redevance promis par le Gouvernement Français lui seront payés dès que j'aurai reçu en réponse à ma lettre précitée la lettre de votre Majesté confirmant en tous les points notre accord verbal du 25 Juin.

Veillez, &c.

(Signé)

KLOBUKOWSKI.

104

(4.)

The Emperor Menelek to M. Klobukowski.

Le Lion de la Tribu de Juda, vainqueur, nous Ménélik, élu du Seigneur,
Roi des Rois d'Éthiopie.

(Salutations d'usage.)

Le 15 Juillet, 1907.

Ton Gouvernement m'a dit précédemment : "La Compagnie Éthiopienne des Chemins de Fer est en faillite, mais vous ne perdrez pas votre argent." Et toi aussi, par les lettres du 9 Juin, 1907, et du 25 Juin, tu m'as confirmé ces mêmes paroles. Bien. Fais connaître à ton Gouvernement que, pour remplacer la Compagnie Éthiopienne des Chemins de Fer, je voudrais voir une nouvelle Compagnie Française de confiance et sûre. Afin que les travaux du chemin de fer puissent être achevée de Diré-Daouah à Addis-Ababa, et que l'exploitation soit commencée, j'ai manifesté déjà mon désir de prêter mon aide à la Compagnie, et je prépare d'avance le concours que je me propose de lui donner. En outre, comme nous l'avons arrêté d'un commun accord, la première Convention de 1894 sera modifiée en ce qui concerne les deux Articles 9 et 10.

Écrit à Addis-Ababa le 9 Juillet de l'an de grâce 1899.

(5.)

M. Klobukowski to the Emperor Menelek.

Sire,

Addis-Ababa, le 19 Juillet, 1907.

J'ai l'honneur d'accuser réception de votre Majesté de sa lettre en date du 14 Juillet répondant à mes lettres des 25 et 30 Juin derniers et confirmant sur tous les points notre accord verbal du 25 Juin.

Je profite de cette occasion pour donner par écrit à votre Majesté l'assurance que je lui ai déjà donnée de vive voix, à savoir, que le Gouvernement Français n'est, dans toute cette affaire du chemin de fer, qu'un intermédiaire, et que, la nouvelle Société une fois formée, il s'effacera, l'entreprise de construction et d'exploitation des chemins de fer Éthiopiens devant avoir et garder un caractère absolument privé.

Veuillez, &c.

(Signé) KLOBUKOWSKI.

(6.)

Memorandum by M. Pichon.

Nouvelle Société se forme avec participation des banques suivantes : Indo-Chine, Société Générale, Crédit Lyonnais, Comptoir d'Escompte, Banque de Paris, Crédit Industriel, Union Parisienne, Banque Française. Vous juger utile de communiquer cette liste à Ménélik. Le capital-actions sera de 15,000,000 de fr. Veuillez demander à l'Empereur, qui a manifesté le désir de s'associer à l'entreprise, dans quelle proportion il veut contribuer à la formation de ce capital, de quelle façon il compte effectuer le versement de son apport éventuel. Ménélik pourrait, par exemple, déposer dans une banque à Paris les fonds, qui ne seront d'ailleurs pas appelés avant un certain temps. Si vous jugez opportun, vous pourriez proposer au Négus de donner une partie de sa souscription au moyen de la créance de 2,300,000 fr. qui lui est reconnue. On lui donnerait un nombre d'actions représentant cette somme. Sa créance lui serait ainsi remboursée, et il n'aurait à payer que les actions qu'il voudrait souscrire en plus de cette somme. Cette proposition n'est d'ailleurs, bien entendu, faite que pour lui être agréable, et il est entièrement libre de l'accepter ou de la rejeter.

(Signé) PICHON.

Paris, le 24 Janvier, 1908.

105

(7.)

*M. Chefneux to Imperial Company.**Addis-Ababa, le 18 Avril, 1908.*

(Télégraphique.)

J'ai reçu télégramme. Il est impossible d'espérer amener Empereur à rompre Convention du 30 Janvier, conclue en réalité avec le Gouvernement Français. Le refus de Parlement peut seul dégager l'Empereur et nous permettre toutes les espérances. Délégué sera très utile. Message suit.

No. 133.

[14535]

*Colonial Office to Foreign Office.—(Received April 28.)**Downing Street, April 27, 1908.*

Sir,

WITH reference to your letter of the 23rd instant, I am directed by the Earl of Crewe to state, for the information of Secretary Sir E. Grey, that the question of the additional expenditure of 500l. proposed by Sir J. Harrington in connection with the adoption of measures for the protection of the frontier between Abyssinia and the East Africa Protectorate has been referred to the Treasury.

2. Lord Crewe is still awaiting a reply from that Department.

I am, &c.

(Signed) R. L. ANTROBUS.

No. 134.

[14685]

Count de Bosdari to Sir Edward Grey.—(Received April 29.)

(Translation.)

London, April 25, 1908.

Sir,

IN continuation of my note of the 15th March, and with reference to that which you were good enough to address to me under date of the 8th instant, I have the honour to send you herewith a copy of a Memorandum, in which the Italian Government requested explanations from the French Government with regard to the projected Franco-Éthiopien Agreement relative to the Jibuti-Adis Ababa Railway, and of the reply of the French Ambassador at Rome.

My Government are of opinion that their principal objection has not received an adequate and satisfactory reply from the French Government. This objection, as the Marquis of San Giuliano explained to you in his note of the 1st February, is motivated by the implicit recognition and consequent legalization of the so-called toll and transit dues, the abolition of which, in connection with the imposition of a due of 6 per cent. *ad valorem* on the goods transported by the French railway, constitutes the hinge upon which the whole Convention turns. And, indeed, this clause will be able to produce the effects proposed, that is to say, to attract merchandize to the railway, so long as the toll and transit dues on the caravan route are maintained and probably increased. In such a condition of affairs the clause of Article III of the Italian-Éthiopien Treaty of the 31st July, 1906, concerning the single custom-house, would be directly prejudiced in its effective execution.

Examining the question, therefore, with the desire to place no obstacle in the way of a work of civil progress, but only to safeguard legitimate Italian interests, it would seem to my Government that they could give their consent in principle to the project in question as soon as, through the combined action of three Powers, the Negus has been induced to give practical effect, as regards Italian trade with Ethiopia, to the stipulations respecting the single custom-house for commerce from and to the Benadir, from and to Erythræa, extending also to Italy the advantages conceded to the French railway in the event of railways being constructed by Italy under the terms of the Tripartite Agreement.

The Italian Government would ask, in short, that the lines of commercial penetration from our colony towards Ethiopia shall be permitted to enjoy the same conditions as those granted to the lines of commercial penetration starting from the French Colony towards Ethiopia. If between Diré Dawa and the capital of the empire the toll and transit dues amount, as the French Government state

[1557]

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in their note, to more than 6 per cent., but are to be abolished (as far as the merchandize following the railway is concerned), and to be replaced by an *ad valorem* surtax from which the Ethiopian Government deducts 2 per cent., the Italian Government are of opinion that, leaving aside for the time being the 4 per cent. of the surtax which goes to the benefit of the railway, they have reason to ask for the abolition of the dues in question in the case of our Colonies and their replacement by a duty of at most 2 per cent. in favour of the Ethiopian Administration.

Before, however, coming to a definite decision on the matter (for formulating which some particulars are still lacking, which have, however, already been asked for for the purpose, above all the exact amount of the toll, market and transit dues in the case of the various lines of communication), my Government would be glad to learn whether the British Government would be disposed to support an Italian demand based on the compromise proposal referred to above.

Accept, &c.
(Signed) A. DE BOSDARI.

Inclosure 1 in No. 134.

Memorandum communicated by the Italian Minister for Foreign Affairs to M. Barrère.

(Translation.)

THE Italian Minister for Foreign Affairs has had the honour of receiving the verbal note addressed to him on the 11th instant (? ultimo) by the French Ambassador at Rome with regard to the bases upon which it is proposed to conclude an Agreement between the Government of the Republic and the Emperor Menelek for the completion of the railway line Jibuti-Adis Ababa.

In taking act of the fact that this communication is made in conformity with the provisions of the Agreement of the 13th December, 1906, and with a view to the better elucidation of the nature of some of the clauses reproduced in the above-mentioned verbal note, the Italian Minister for Foreign Affairs begs M. Barrère to be good enough to give a reply to the following questions:—

1. Whether the tax of 6 per cent. *ad valorem* is to be regarded as a customs tax?
2. In the verbal note under consideration it is said that the tax of 6 per cent. *ad valorem* to be levied on merchandize entering or leaving Abyssinian territory by the French railway constitutes the counterpart to the exemption from internal toll and transit dues. Is it perhaps meant that, in the opinion of the French Government, the burden in the shape of toll and transit dues on merchandize imported into or exported from Ethiopia by the Jibuti-Harrar-Adis Ababa route amounts to 6 per cent. of their value?
3. Is the exemption from toll and transit dues provided for in the draft Agreement under consideration for the exclusive profit of the merchandize following the railroad meant to be extended to the whole territory of Ethiopia, or limited to the tax-collecting districts at present established along the route traversed by the railroad?
4. Is it meant that the maintenance of the toll and transit dues in the territory of the Empire, in addition to the customs dues for merchandize to and from Ethiopia, which maintenance is contrary to the Treaty of Commerce between Italy and Ethiopia of the 21st July, 1906, and above all prejudicial for obvious reasons to the trade of Erythræa, forms an integral part of the Agreement, its existence being thus legalized and perpetuated?
5. Is the payment of the tax of 6 per cent. *ad valorem* to take place at the moment of delivering the merchandize to the Railway Company at Jibuti, or on the entrance of such merchandize into Abyssinian territory at the Abyssinian custom-house in proximity to the boundary?
6. Who will assess the tax of 6 per cent. based upon the value of the merchandize, and with what precautions? Who will collect the said tax?

After receiving replies to these questions, the Ministry of Foreign Affairs reserves to itself the right to express its opinion upon the Convention in question.

Rome, February 1, 1908.

Inclosure 2 in No. 134.

M. Barrère to the Italian Minister for Foreign Affairs.

Rome, ce 14 Mars, 1908.

M. le Ministre,

EN m'accusant réception, par sa note verbale du 1^{er} Février dernier, des indications que j'avais été chargé de lui fournir sur le résultat des négociations poursuivies entre notre Représentant et le Négus, en vue de l'achèvement et de l'exploitation du chemin de fer de Djibouti à Addis-Ababa, votre Excellence a bien voulu exprimer le désir de recevoir, sur un certain nombre de points de ma communication, des éclaircissements complémentaires.

Mon Gouvernement, à qui je m'étais empressé de faire part de cette demande, vient de me transmettre, sous forme de note, en réponse aux six questions posées dans la note verbale susmentionnée du 1^{er} Février, des indications que votre Excellence voudra bien trouver consignées dans le document ci-joint.

Veillez, &c.
(Signé) CAMILLE BARRÈRE.

Inclosure 3 in No. 134.

Reply by the French Government to the Questions noted in the Italian Minister for Foreign Affairs' Memorandum of February 1, 1908.

Première Question.—La taxe de 6 pour cent *ad valorem* n'est pas une taxe douanière.

Deuxième Question.—La taxe de 6 pour cent constitue, en effet, une contrepartie de l'exemption des taxes intérieures de péage et de transit dont bénéficieront les marchandises transportées par le chemin de fer; le montant de ces taxes intérieures a cependant été estimé comme représentant entre la frontière Abyssine et Addis-Ababa plus de 6 pour cent de la valeur des marchandises; la différence entre le montant de ces taxes intérieures, qui étaient perçues en totalité par le Gouvernement Éthiopien, et la nouvelle taxe de 6 pour cent dont le Gouvernement Éthiopien percevra 2 pour cent, forme un élément de la part contributive du Gouvernement Éthiopien à l'œuvre du chemin de fer, ce qui constitue un précédent qui pourra être éventuellement invoqué pour la construction d'autres voies ferrées en Éthiopie.

Troisième Question.—Bien que cette question ne soit pas posée de façon très claire, on croit y répondre en disant que l'exemption des taxes de péage et de transit doit s'appliquer aux marchandises transportées par le chemin de fer et doit par conséquent être limitée aux localités de perception établies ou à établir sur la voie parcourue par le chemin de fer.

Quatrième Question.—Il n'y a rien de semblable dans nos accords avec Ménélik concernant le chemin de fer. Il est dit que l'exemption des taxes de péage et de transit est applicable exclusivement aux marchandises transportées par le chemin de fer; toutes les marchandises voyageant par le chemin de fer, quelle que soit leur provenance ou leur destination, profiteront de cette exemption. Il n'y a là rien de contraire au Traité Italo-Éthiopien du 21 Juillet, 1906 (Article III).

Cinquième Question.—Ce point d'exécution sera réglé ultérieurement, et il a été entendu que, jusqu'à nouvel ordre, la taxe de 6 pour cent serait réglée à Diré Daoua.

Sixième Question.—Seul le principe que la taxe serait perçue sous un contrôle Franco-Éthiopien a été établi; les autres modalités seront fixées ultérieurement.

[11078]

No. 135.

Foreign Office to Messrs. Ochs.

Gentlemen,

Foreign Office, April 30, 1908.

WITH reference to your letter of the 30th ultimo respecting the affairs of the Imperial Ethiopian Railway Company, I am directed by Secretary Sir E. Grey to inform you that he has received a reply from the French Government to the repre-

sentations he addressed to them, through the French Ambassador, on receipt of your letter of the 12th February last.

The French Government adhere to their attitude in regard to the reservation under which the Ministerial authorization of the 1st March, 1906, was given (see the letter from this Department of the 7th February last), and maintain that the reservation relieved them of all responsibility both in regard to the Imperial Ethiopian Railway Company and to any third parties. The French Government state that the International Ethiopian Railway Company was aware of the value of the reservation when it gave its assistance to the Imperial Ethiopian Railway Company, and that it is not justified in claiming a privileged treatment which the Government of the Republic has not accorded to it.

Sir E. Grey drew the attention of the French Government to your view that the security of your Company has now been definitely reduced to a fraction of its value by the recent action of the French Government in insisting on the sale of the Imperial Ethiopian Railway Company's assets, under threat of forfeiture, to a new Company, at a price which the official liquidator himself considers inadequate, and which works out at far below his most conservative valuation.

M. Cambon observes that this view does not accurately represent the intervention of the French Government in the liquidation of the Imperial Ethiopian Railway Company.

His Excellency states that the view of his Government is as follows:—

The liquidation of the Company followed the usual legal course, and the intervention of the French Government in the cession of the Company's assets by the liquidator to a new Company has had for its sole motive the protection of all the creditors.

M. Cambon goes on to observe that the proceedings of the Railway Company, and especially its last operations with the Trust Company, resulted in increasing its liabilities indefinitely and in bringing it to the verge of bankruptcy. These proceedings constituted further a flagrant violation of the Agreement which bound the Railway Company to the French and exposed it to forfeiture. The French Government had legally the right and the power to have the forfeiture declared, which would have involved the confiscation of the Railway Company's assets and the complete suppression of the security of the creditors.

M. Cambon concludes by observing that the claims of the International Ethiopian Railway Trust cannot be supported by the argument drawn from the intervention of the French Government, which, in the form in which it has taken place, resulted in the protection of the interest of all the creditors, and consequently of the English shareholders.

I am, &c.
(Signed) W. LANGLEY.

[14972]

No. 136.

Sir E. Gorst to Sir Edward Grey.—(Received May 2.)

(No. 44.)

Sir,

Cairo, April 26, 1908.

WITH reference to the despatch from His Majesty's Chargé d'Affaires at Constantinople No. 2, Africa, of the 10th ultimo, respecting the controversy with regard to the Deir-es-Sultan Monastery at Jerusalem, I have the honour to report that on the 16th instant Mr. Barclay informed me by telegraph that His Majesty's Consul at Jerusalem had reported that the Mutessarif, who was negotiating with the Abyssinian Envoy and the Coptic Bishop, had suggested that the use of the Chapel of the Four Animals should be restored to the Abyssinians. The Coptic Bishop, however, had declined to entertain this proposal, and Mr. Barclay inquired whether the Coptic community in Egypt would be disposed to look on the proposed arrangement as a reasonable solution of the question.

After consultation with the Foreign Minister, who is himself a Copt, I replied that the principal Copts in Egypt were not favourably disposed towards the proposal, and that it might be well before arriving at any decision to await the Report of the Coptic Delegates who had been sent to Jerusalem and who were expected to return to Egypt shortly.

On the 23rd instant this Report was communicated to me and I forwarded it to Mr. Barclay under cover of a despatch, copy of which I have the honour to inclose herewith.

I have, &c.
(Signed) ELDON GORST.

Inclosure 1 in No. 136.

Sir E. Gorst to Mr. G. Barclay.

Cairo, April 23, 1908.

Sir,

WITH reference to my telegram of the 18th instant, I have the honour to transmit to you copy of the Report drawn up by the delegation who had been sent to Jerusalem in connection with the controversy with the Abyssinians respecting the Deir-es-Sultan Monastery, and who have now returned to Egypt.

This Memorandum appears to show that the Copts have displayed a very conciliatory spirit throughout the negotiations, and they are under the impression that His Majesty's Consul at Jerusalem is favourably disposed towards their third proposal and has promised to support it.

Under these circumstances, I trust that you may consider it expedient to urge on the Sublime Porte the desirability of approving the Coptic proposal.

If that course be adopted, it would be as well that the Abyssinians should be informed by the Turkish Government that the arrangement must be considered as a final settlement of this question.

I have, &c.
(Signed) ELDON GORST.

Inclosure 2 in No. 136.

Memorandum communicated by the Coptic Delegates to Sir E. Gorst.

SUR les instances réitérées de son Excellence le Moutasaref de Jérusalem et sa résolution de mettre fin aux disputes interminables des Abyssins et des Coptes, les Délégués Coptes ont proposé successivement au fur et à mesure des négociations, et dans ce même but, les trois propositions suivantes:—

1. Laisser aux Abyssins une superficie de 240 mètres carrés située dans la partie nord-est du Déir, qui serait clôturée par un mur de séparation de tous les côtés. Les Coptes se réservant ainsi tout le reste du Déir.

2. Mais les Abyssins ont prétendu que leur intention principale était surtout de rechercher la sainteté des lieux et le moyen de prier dans l'une des deux églises du Déir.

C'est alors que les Délégués Coptes, pour les satisfaire, d'une part, et pour obtenir la tranquillité vainement recherchée jusqu'alors, de l'autre, leur ont proposé de laisser totalement le Déir aux Coptes, de prendre, en remplacement, une maison des Wakfs Coptes, à Jérusalem, avec le droit de prier, à l'Eglise des Quatre Animaux, toujours après autorisation de l'Archevêque Copte à Jérusalem, leur chef religieux.

3. Les Abyssins ont encore refusé cette deuxième proposition comme ils ont refusé la troisième, qui est la suivante:—

Céder aux Abyssins la superficie de 240 mètres carrés mentionnée dans la première proposition, avec le droit de prier dans l'Eglise des Quatre Animaux.

Les Abyssins ne voulurent rien entendre et tinrent solidement à leur prétention de se faire maintenir dans la possession de tout le Déir, et en plus avoir la faculté de prier dans l'Eglise des Quatre Animaux.

M. le Consul de Sa Majesté Britannique à Jérusalem, avant de voir les Délégués Coptes, avait câblé à l'Ambassade de Sa Majesté Britannique à Constantinople de faire conseiller à sa Béatitudo le Patriarche Copte au Caire d'accepter la demande des Abyssins pour mettre fin au différend. Mais les Délégués Coptes lui ayant exposé la situation et indiqué leurs propositions, il trouve la troisième tout à fait acceptable et suffisante pour arranger la question. M. le Consul a bien saisi que les réclamations des Abyssins étaient exorbitantes et qu'elles conduisaient à l'abandon total du Déir par les Coptes. Il a promis d'appuyer cette troisième proposition, dont encore une fois il s'est déclaré satisfait.

[1557]

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Son Excellence le Moutasaref de Jérusalem a manifesté aussi à plusieurs reprises sa satisfaction de l'esprit de conciliation qu'a montré la délégation Copte.

Les Abyssins proposèrent de prendre la parcelle rectangulaire située au sud-est du Déir allant du côté est jusqu'au mur de l'Eglise des Quatre Animaux à l'ouest, et de pratiquer dans ce mur une porte conduisant à l'Eglise, dans laquelle ils feraient alors leur prière, et d'abandonner le reste du Déir aux Coptes.

Nous avons évidemment rejeté cette proposition, puisqu'elle tendait à ne laisser aux Coptes qu'une infime partie du Déir.

Nos négociations ont donc abouti à ce que le Moutasaref et M. le Consul d'Angleterre nous ont promis leur concours. Son Excellence le Moutasaref a câblé à Constantinople les détails de ces négociations et a fait ressortir dans sa dépêche combien notre troisième proposition était sage et conciliante.

Nous avons donc tout espoir d'arriver à conclure sur les bases de cette proposition un arrangement définitif avec les Abyssins.

[15373]

No. 137.

Count de Bosdari to Sir Edward Grey. — (Received May 4.)

(Translation.)

THE Italian Chargé d'Affaires presents his compliments to the Secretary of State, and has the honour to send him herewith, for his confidential information, copy of a note from the French Embassy at Rome to the Italian Minister for Foreign Affairs, and of the reply of the latter on the subject of the commission intrusted by the Negus to the French Government to approach the International Office at Berne for the purpose of obtaining the admission of Ethiopia to the Universal Postal Union.

Count de Bosdari will be grateful if Sir E. Grey will inform him whether the British Government was informed of the commission received by the French Government, and whether he does not think that, in view of the Treaty of London of the 13th December, 1906, the French Government, before accepting the commission, ought to have made it the object of concerted action between the three Powers Signatory to the said Convention.

London, May 1, 1908.

Inclosure 1 in No. 137.

M. Barrère to Signor Tittoni.

L'Ambassade de France à Rome, le 9 Avril, 1908.

M. le Ministre,
SA Majesté Ménélik a récemment fait prier le Gouvernement Français de transmettre au Directeur-Général de l'Office International de Berne une demande qu'il lui adresse à l'effet d'obtenir l'admission de l'Abyssinie dans l'Union Postale. Mon Gouvernement n'a pas cru devoir refuser en cette circonstance son intermédiaire au Négus, et il a chargé l'Ambassadeur de la République en Suisse de faire parvenir à sa destination la demande dont il s'agit. Il m'a rappelé, à ce propos, que lors du dernier Congrès de l'Union Postale tenu à Rome en 1906, M. le Commandeur Agnesa, Délégué de l'Abyssinie, avait été chargé de déclarer que ce Gouvernement avait l'intention de se faire admettre dans l'Union. Les bons offices que le Gouvernement Royal avait prêtés à cette époque à l'Empereur Ménélik laissent espérer à mon Gouvernement que le Ministre d'Italie à Berne ne manquera pas de seconder et d'appuyer les démarches de son collègue Français en vue d'obtenir l'admission de l'Abyssinie dans l'Union Postale Universelle. Je serai heureux d'apprendre que votre Excellence a bien voulu entrer dans ces vues et envoyer à son Représentant en Suisse des instructions en conséquence.

Veuillez, &c.
(Signé) CAMILLE BARRÈRE.

Inclosure 2 in No. 137.

Signor Tittoni to the French Ambassador at Rome.

(Translation.)

M. l'Ambassadeur,

I HAVE the honour to acknowledge the receipt of your Excellency's note of the 9th instant, relative to the request of Ethiopia for adhesion to the Universal Postal Union.

In view of this communication from your Excellency, I venture to call your attention to the following facts:—

On the 23rd February last, the Italian Chargé d'Affaires at Adis Ababa informed me that, as it had come to his knowledge that the French Minister had asked for and obtained from the Negus an official commission to secure the inclusion of the latter in the Universal Postal Union, he had thought well to remind M. Klobukowski directly of the precedent formed by Italy and of the official commission already conferred on the latter country by the Negus to represent him at the last Congress of the Universal Postal Union held at Rome. The Italian Chargé d'Affaires added that M. Klobukowski declared that he was unaware of these precedents, and assured him that he would make the acceptance of the charge conferred upon him dependent upon the Agreements which should be arrived at in the matter by the Governments of Paris and Rome, to whom the two diplomatic Representatives determined to refer the foregoing. Finally, he informed me that the Negus, having been informed about the matter by the French Minister, had admitted the official commission previously given to the Italian Government, and had expressed the desire that the two Governments should act in concert in his interests.

I cannot, therefore, understand how the step subsequently taken by the French Government, of which your Excellency is good enough to inform me in your above-mentioned note, agrees with the previous course of the matter referred to above or with the spirit of the Convention of London of the 13th December, 1906.

If, in this special case, it was not desired to act in conformity with the Agreement in question, it should have been recognized that it was reserved for Italy to continue the action already commenced before that Agreement by express mandate received from Menelik; if, on the other hand, as seems to me more correct, it were desired to act in accordance with the Convention of London of the 13th December, 1906, the steps to be taken with a view to the adhesion of Ethiopia to the Universal Postal Union should have been reserved for all three Powers.

In any case, indeed, Menelik having expressed a desire that the two Governments, Italian and French, should act in concert, it would have been necessary, before taking any step, for an agreement to be come to between those two Governments with a view to a notification being made to the British Government.

I therefore request that you will be good enough to arrange that the International Bureau at Berne shall suspend consideration of the matter until an agreement has been arrived at between the Governments interested, this course being also desirable in the interests of Ethiopia to avoid the outcome of her demand being compromised.

I shall be grateful to you for an assurance on this point.

Accept, &c.
(Signed) TITTONI.

[13302]

No. 138.

Sir Edward Grey to Sir J. Harrington.

(No. 41.)

Sir,

Foreign Office, May 8, 1908.

I HAVE received your despatch No. 12 of the 28th March last, relative to the question of providing Abyssinian interpreters for His Majesty's Legation at Adis Ababa.

It is evidently desirable that such interpreters should be persons who have acquired a part at least of their education out of Abyssinia, but your suggestion that they should finish their education in this country involves so much expenditure that there would be little prospect of obtaining the sanction of the Lords Commissioners of the Treasury to it.

The difficulty to which you allude of securing by any guarantee the permanent services of these young men would no doubt constitute a further objection. After having been educated at great cost by His Majesty's Government, they would not improbably upon their return to Abyssinia, leave the Government service for more lucrative appointments, or they might merely revert to their own life among their fellow-countrymen.

Before, therefore, approaching the Lords Commissioners of the Treasury on the matter, I would wish you to consider carefully and report to me:—

(a.) Whether it would not be more economical and also more likely to ensure satisfactory results, to conduct the finishing education of the interpreters at Khartoum rather than in England, and

(b.) Whether it would not be possible to devise some means of binding these interpreters by a contract to serve His Majesty's Government for a certain period. Such a contract might possibly be made after the boys have arrived at a certain point in their education in Abyssinia, when it would be easier to select those who promised best.

In connection with this question, I request that you will also furnish me with a report as to the manner in which you have expended the sum of 10% per mensem, sanctioned in my despatch No. 66 of the 16th September, 1907, for the purpose of educating two youths from the Swedish Mission at Asmara.

I am, &c.
(Signed) E. GREY.

[15878]

No. 139.

Sir J. Harrington to Sir Edward Grey.—(Received May 9.)

(No. 15.)
Sir,

IN reply to your despatch No. 25 of the 19th ultimo, I have the honour to inform you that Dejaz Lul Seged, who has only recently been released from his chains, was correctly reported as having been removed from the Governorship of the Arusi country.

Dejaz Tafari, son of the late Ras Makunan, has been appointed to succeed him.

I have, &c.
(Signed) J. L. HARRINGTON.

Adis Ababa, April 18, 1908.

[15900]

No. 140.

Count de Bosdari to Sir Edward Grey.—(Received May 9.)

(Translation.)
Sir,

IN a conversation which I had the honour of having with you yesterday you were good enough to draw my attention to a satisfactory reply which had reached the Foreign Office from the French Government with regard to the interpretation of Article X of the Convention of the 13th December, 1906, respecting Ethiopia.

I received from the Italian Government this morning communication of the correspondence exchanged on this same matter between the Italian Ministry of Foreign Affairs and the British Embassy at Rome. At the same time I received instructions to ask you to acquaint me with the nature of the French reply to the note which the British Embassy at Paris doubtless addressed to them in the same terms as those employed in Sir E. Egerton's note of the 5th April to M. Tittoni.

Whilst expressing gratitude to you for such communication as you may be good enough to make to me upon the matter, I avail, &c.

(Signed) A. DE BOSDARI.

[Undated.]

[15913]

No. 141.

Colonial Office to Foreign Office.—(Received May 9.)

Sir,

Downing Street, May 8, 1908.

WITH reference to the letter from this Department of the 27th ultimo, I am directed by the Earl of Crewe to transmit to you, to be laid before Sir E. Grey, the accompanying copy of a letter from the Treasury on the subject of the proposed additional escort for the travelling Inspector of the Abyssinian boundary.

2. I am also to inclose a draft of the reply which Lord Crewe proposes, if Sir E. Grey concurs, to return to the Treasury letter.

I am, &c.
(Signed) FRANCIS J. S. HOPWOOD.

Inclosure 1 in No. 141.

Treasury to Colonial Office.

Sir,

Treasury Chambers, April 27, 1908.

I HAVE laid before the Lords Commissioners of His Majesty's Treasury Mr. Antrobus' letter of the 14th instant and its inclosures respecting a proposal to increase the escort of the travelling Inspector of the Southern Abyssinian boundary at an estimated cost of 500% a-year.

In reply I am to request you to inform the Earl of Crewe that my Lords are unwilling to sanction any addition to the escort of the travelling Inspector until it has been finally decided whether the existing measures for the protection of the frontier should be continued on their present footing, and they would therefore be glad if this proposal could be deferred pending consideration of the larger question.

I am, &c.
(Signed) G. H. MURRAY.

Inclosure 2 in No. 141.

Draft of Letter from the Earl of Crewe to Treasury.

Sir,

Downing Street, May , 1908.

I AM directed by the Earl of Crewe to acknowledge the receipt of your letter of the 27th ultimo on the subject of the proposed additional escort for the travelling Inspector of the Abyssinian boundary, and to request that you will move the Lords Commissioners of the Treasury to reconsider their refusal to sanction the additional expenditure of 500% involved on the following grounds:—

(a.) Even if their Lordships sanction the immediate despatch of a Commission to delimit the frontier, it will not be until October that the Commissioners can reach the scene of their labours; and in the meantime it is most important that the hands of the Inspector should be strengthened, in order to check the raids of Abyssinians against our tribes and to prevent their establishing further claims to sovereignty over the border tribes, pending the delimitation.

(b.) Sir John Harrington does not consider it advisable to approach the Emperor on the "larger question" of appointing British officers as Inspectors of the boundary until after the delimitation is completed, i.e., not for at least a year, but the ultimate decision of this question will in no way be prejudiced by the provision of an additional escort for the present Inspector.

(c.) At the present time Sir John Harrington calculates that at least 3,000% per annum is lost to the revenues of the East Africa Protectorate by the looting of ivory from our territory by the Abyssinians, and consequent loss of the duty payable to the Government on its export. It seems probable that the additional escort will enable the Inspector to recover at least 500% of this loss.

[1557]

2 G

I am to add that the Earl of Crewe has been in consultation on the subject with the Secretary of State for Foreign Affairs, who entirely concurs in the views set forth above.

I am, &c.

[16186]

No. 142.

Sir E. Egerton to Sir Edward Grey.—(Received May 11.)

(No. 20. Africa.)
Sir,

Rome, May 6, 1908.

WITH reference to your despatch No. 8, Africa, of the 21st March last, instructing me to explain to the Italian Government the interpretation placed on Article 10 of the Abyssinian Tripartite Agreement by His Majesty's Government, I have the honour to transmit herewith a translation of a communication which I have to-day received from Signor Tittoni, stating that his Government are entirely in agreement with that interpretation.

I have, &c.
(Signed) EDWIN H. EGERTON.

Inclosure in No. 142.

Memorandum communicated by Signor Tittoni to Sir E. Egerton.

(Translation.)

THE Royal Ministry of Foreign Affairs has the honour to acknowledge receipt of the Memorandum of the 6th ultimo, in which the British Embassy stated that a wide divergency of views exists between Sir J. Harrington and M. Klobukowski with regard to the exact interpretation of Article 10 of the Agreement of the 13th December, 1906.

With a view to reaching a definite understanding as to the interpretation of this Article, His Britannic Majesty's Government state their opinion on the subject, viz., that Article 10 of the Tripartite Agreement is applicable to the general policy of the three Powers, and not (as M. Klobukowski maintains) only to Article 3 of the Agreement, regarding one point, i.e., the policy to be pursued in case of rivalities or internal changes in Abyssinia.

The Royal Government declare that they entirely concur in the views as above expressed of His Britannic Majesty's Government, which essentially tally with the spirit of the identic instructions which have so far been communicated to that Government.

Ministry of Foreign Affairs, Rome, May 2, 1908.

[16540]

No. 143.

India Office to Foreign Office.—(Received May 13.)

THE Under-Secretary of State for India presents his compliments to the Under-Secretary of State for Foreign Affairs, and, by direction of Viscount Morley, forwards herewith, for the information of the Secretary of State, and with reference to the letter from this Office of the 5th November, 1906, copy of a telegram from the Viceroy, dated the 12th instant, relative to Amir Abdulla Sadik, of Harrar.

India Office, May 13, 1908.

Inclosure in No. 143.

Government of India to Viscount Morley.

(Telegraphic.) P.

May 12, 1908.

SEE our letter dated the 27th September, 1906, as to Amir Abdulla Sadik. Government of Bombay telegraphed on the 6th instant as follows:—

"Reference is invited to letter of the 28th August, 1906, from this Department. The Resident, Aden, telegraphed on the 2nd instant as follows:—

"It is now stated that visit to Mullah, via Aden and Berbera, is intended by Amir Abdulla Sadik, Governor of Harrar, who in 1906 was ordered to leave India, and subsequently under warrant, Regulation 25 of 1827, was detained at Aden. As an offensive and defensive alliance between Mullah and Menelek against ourselves and the Italians is believed to be object of visit, Harrington, Cordeaux, and Italian Consul-General agree that visit should be prevented. If he comes here, I propose, subject to approval, to send him back by steamer to Zeyla. If Order of 1906 does not empower me to do this, I should be glad if authority could be given me by telegraph, as it will probably be necessary, as on previous occasion, to detain Amir temporarily pending departure."

"We replied to Resident on the 6th instant as follows:—

"We approve action proposed in your telegram dated the 2nd instant. We will send warrant by mail."

[13303]

No. 144.

Sir Edward Grey to Count de Bosdari.

Sir,

Foreign Office, May 14, 1908.

WITH reference to my note of the 31st January last to the Marquis di San Giuliano, relating to the question of sending identic instructions to the Italian, French, and British Representatives at Adis Ababa, I have the honour to inform you that I have now received replies from Sir J. Harrington to the various points raised in his Excellency's note of the 22nd January last, and I propose to lay before you the views of His Majesty's Government on these points *seriatim*.

1. *Modus Procedendi*.—Since practically every question in Abyssinia can be interpreted as interesting the three Governments or their subjects, or "Puissances tierces" or their subjects, His Majesty's Government consider that they could not consent to limit the discretion of their Representative to the extent proposed in the Italian draft. His Majesty's Government would also suggest that in any case the last sentence of clause 1 ("Si l'entente ne sera pas possible," &c.) should be omitted altogether.

2. *Concessions*.—His Majesty's Government consider that, since equality of treatment in matters of commerce is assured to nationals of all Powers having Treaties with Ethiopia, this clause would tend to interfere unduly with the commercial development of the country. They propose that the Representatives of the limitrophe Powers should be instructed to oppose, jointly and within their means, those Concessions which in their opinion are contrary to the spirit of the Tripartite Agreement of the 13th December, 1906. In cases where a Representative considers that a Concession, applied for or supported by one or both of his colleagues, would be contrary to the Agreement, he should refer the point to his Government for decision.

3 (a). *Defence of Legations*.—His Majesty's Government are in entire accord with the Italian Government.

3 (b). *Succession*.—His Majesty's Government agree that it is very desirable to obtain from the Emperor Menelek a definite nomination of His Majesty's successor, but they doubt the advisability of giving His Majesty assurances of even moral support to his heir, as such assurances may involve them in active interference, and

oblige them to give material support as well, should the person chosen by the Negus prove not to be acceptable to the country at large.

4. *Measures on death of the Negus.*—His Majesty's Government concur.

5. *Jurisdiction.*—His Majesty's Government concur. Sir J. Harrington has pointed out that while the Treaty, the actual text of which has not yet reached His Majesty's Government, recently negotiated by M. Klobukowski with the Emperor Menelek, apparently recognizes the jurisdiction of the European Representatives in Abyssinia over their nationals, it admits Abyssinian jurisdiction over Europeans, which, in view of the existing state of the law in Ethiopia, is highly undesirable. If this Treaty is ratified by the French Government, any amelioration of the situation will, in Sir J. Harrington's opinion, be rendered extremely difficult, owing to the peculiar sensitiveness of the Emperor Menelek in all questions touching his sovereign rights. Sir J. Harrington suggests a proposal to the Negus to revise the existing Abyssinian written law, so that it may meet the requirements of the present day, and to appoint an European Judge to assist the Abyssinian Judges in dealing with cases in which Europeans are concerned. His Britannic Majesty's Minister adds that his Italian colleague favours this suggestion, as does also his French colleague, but with the reserve that he does so as an expression of personal opinion, and not as the Representative of France.

6. *Customs and Transit Dues.*—His Majesty's Government are in entire agreement with the views expressed in this clause.

7. *Arms Traffic.*—At the informal discussion on this subject, preliminary to the Brussels Conference, which took place in London on the 6th April last, His Majesty's Government signified their adherence to the project formulated by Count Colli for the regulation of the arms traffic in Abyssinia.

8. *General Policy.*—His Majesty's Government concur fully in the views of the Italian Government.

The Marquis di San Giuliano was good enough to inform me, in his Excellency's note of the 22nd January last, already referred to, that these proposals had been submitted to the French Government by his Excellency the late Count Tornielli, and I have the honour to inquire whether any reply has yet been received from the Government of the Republic.

I have, &c.
(Signed) E. GREY.

[14575]

No. 145.

Sir Edward Grey to Count de Bosdari.

Sir,

Foreign Office, May 14, 1908.

HIS Majesty's Government have had under their consideration the note which you addressed to me, dated the 25th ultimo, in which you were so good as to inform me of the representations made by the Italian Government to the French Ambassador at Rome in regard to the projected Agreement on the subject of the Abyssinian railway.

I have now the honour to inform you that, in response to representations made by His Majesty's Ambassador at Paris, M. Pichon has assured his Excellency that the "interior taxes" from which goods carried by the railway are to be exempted comprise the whole of the dues levied at the present time by the Abyssinian Government on goods transported by road or by caravan between Diré Dawa and Adis Ababa exclusive of customs duties.

In thanking M. Pichon for this assurance, His Majesty's Minister has been instructed to inform his Excellency that His Majesty's Government are aware of the representations recently made to the French Government by the Italian Government on the question of the imposition of a duty of 6 per cent. *ad valorem* on all goods carried by the railway, but that in order to form an opinion of the points at issue, His Majesty's Government desire to have before them the actual text of the new Concession, without which they are unable to definitely announce their acceptance of it.

As regards the question of interior taxes referred to in your notes of the 1st February, 17th March, and the 25th ultimo, His Majesty's Government find themselves unable to share what they understand to be the view of your Government, namely, that all interior taxes in Ethiopia are abolished, so far as regards commerce

from Erythraea, by the terms of Article III of the Italo-Abyssinian Treaty of the 21st July, 1906. It appears to His Majesty's Government that in concluding this Treaty the Emperor Menelek merely intended to substitute one definite *ad valorem* surcharge for the innumerable tolls of various sorts levied by his officials and those of every Chief along the different commercial routes. However this may be, I have the honour to inform you that, if the text of the new Railway Concession is not clear upon this point, His Majesty's Government will be prepared to support the Italian Government in any representations to the French Government which may tend to insure equality of treatment to all commerce penetrating by whatever line into Abyssinia.

I have further the honour to draw the attention of the Italian Government to another point in connection with the Concession. By Article 7 of the Tripartite Agreement of the 13th December, 1906, the French Government undertook to arrange that an English, an Italian, and an Abyssinian representative should be appointed to the Board of the French Company or Companies intrusted with the construction and working of the railway from Jibuti to Adis Ababa. His Majesty's Minister at Paris has therefore been instructed to call the attention of M. Pichon to the matter, and to ask his Excellency what steps are being taken by the French Government to carry out their obligations in this connection.

I have, &c.
(Signed) E. GREY.

[14575]

No. 146.

Sir Edward Grey to Mr. Lister.

(No. 33. Africa.)
Sir,

Foreign Office, May 14, 1908.

I HAVE received and had under my consideration Sir F. Bertie's despatch No. 22, Africa, of the 1st ultimo, inclosing a copy of a note from the French Minister for Foreign Affairs in regard to the Ethiopian Railway.

I request that you will take an early opportunity of expressing to M. Pichon the thanks of His Majesty's Government for his Excellency's assurance that the "interior taxes," from which goods carried by the railway are to be exempted, comprise the whole of the dues levied at the present time by the Abyssinian Government on goods transported by road and by caravan between Diré-Dawa and Adis Ababa, exclusive of customs duties.

You should, however, explain to M. Pichon that before His Majesty's Government can definitely accept the new concession to the Railway Company, they would desire to have before them the actual text. As you are doubtless aware, the Italian Government have recently acquainted His Majesty's Government of their representations to the French Ambassador at Rome on the subject of the clause of the concession under which the Abyssinian Government would maintain the transit dues and tolls besides the Customs Tariff on all goods carried from or to Abyssinia by means other than by the railway from Jibuti to Adis Ababa. His Majesty's Government are not, however, in a position to form any opinion on the points raised by the Italian Government until the actual text of the concession has been communicated to them.

You should also add that His Majesty's Government are anxious at the same time to ascertain what steps are being taken by the French Government to obtain the appointment of an Italian and a British Representative on the Board of the French Company or Companies intrusted with the construction and working of the railway, as provided for by Article 7 of the Tripartite Agreement of the 13th December, 1906.

I am, &c.
(Signed) E. GREY.

[14575]

No. 147.

Sir Edward Grey to Sir J. Harrington.

(No. 44.)
Sir,

Foreign Office, May 14, 1908.

WITH reference to your telegram No. 13 of the 24th February last, I transmit herewith, for your information and guidance, a copy of a despatch addressed to His Majesty's Minister at Paris, together with a copy of a note to the Italian Chargé

[1557]

2 H

d'Affaires,* relative to the new Concession for the prolongation of the Jibuti Railway from Diré Dawa to Adis Ababa.

As you will observe, His Majesty's Government are at present unable to share the view put forward by the Italian Government to the effect that all internal taxes are abolished by Article III of the Italo-Abyssinian Treaty of July 1906, and I should be glad to receive from you a report as to the reasons which have led you to express the same view in section 6 of your despatch No. 6 of the 29th February last.

I am, &c.
(Signed) E. GREY.

[15373]

No. 148.

Sir Edward Grey to the Marquis di San Giuliano.

THE Secretary of State for Foreign Affairs presents his compliments to the Italian Ambassador, and has the honour to acknowledge the receipt of Count de Bosdari's confidential communication of the 1st instant relating to the commission intrusted by the Emperor Menelek to the French Government to obtain the admission of Abyssinia to the Universal Postal Union.

Sir E. Grey has the honour to inform the Marquis di San Giuliano, in reply, that no communication on the subject has been received as yet from the French Government, but he considers it possible that the question has been discussed with His Britannic Majesty's Representative at Adis Ababa. The matter is one of interest to His Majesty's Government, and Sir E. Grey has addressed a request to Sir J. Harrington to furnish a report upon it.

Foreign Office, May 15, 1908.

[15900]

No. 149.

Sir Edward Grey to the Marquis di San Giuliano.

Your Excellency,

Foreign Office, May 15, 1908.

ON the 8th instant I had the honour to receive a note from Count de Bosdari requesting that he might be informed of the nature of the reply which His Majesty's Government had received from the French Minister for Foreign Affairs on the subject of the interpretation to be placed upon Article 10 of the Abyssinian Tripartite Agreement of December 1906.

I have the honour to inform your Excellency that, in a note addressed to His Majesty's Ambassador at Paris on the 22nd ultimo, M. Pichon stated that the Government of the Republic were in complete accord with the views held by His Majesty's Government on the subject, namely, that the terms of Article 10 of the Agreement of December 1906 were to be held to apply to the general policy of the three Signatory Powers in Abyssinia, and not solely to Article 3 of that Arrangement.

M. Pichon points out that the divergence of views arose from an erroneous interpretation placed upon certain expressions contained in a letter addressed by M. Klobukowski to Sir J. Harrington, dated the 16th February last, on the subject of the Tripartite Agreement.

In bringing this information to your Excellency's knowledge, I have the honour to add that His Majesty's Government have received with much satisfaction from their Ambassador at Rome the reply of the Italian Government on the same subject, stating that they are in entire agreement with the interpretation placed upon Article 10 by His Majesty's Government.

I have, &c.
(Signed) E. GREY.

* Nos. 145 and 146.

[15373]

No. 150.

Sir Edward Grey to Sir J. Harrington.

(No. 45.)

Foreign Office, May 15, 1908.

Sir,

I TRANSMIT to you herewith a copy of a note from the Italian Chargé d'Affaires in London,* relative to the question of the admission of Abyssinia to the Universal Postal Union, through the good offices of the French Government, together with a copy of my reply.†

I request that you will furnish me as soon as possible with any observations you may have to offer on the matter.

I am, &c.
(Signed) E. GREY.

[15373]

No. 151.

Foreign Office to Post Office.

(Confidential.)

Sir,

Foreign Office, May 15, 1908.

I AM directed by Secretary Sir E. Grey to transmit to you herewith, for the confidential information of the Postmaster-General, copies of a note from the Italian Chargé d'Affaires at this Court,* and of the reply which has been made relative to the question of the admission of Abyssinia to the Universal Postal Union through the good offices of the French Government.†

I am to state that Sir E. Grey is anxious to learn any observations which Mr. Buxton may have to offer on Count Bosdari's communication.

I am, &c.
(Signed) W. LANGLEY.

[17523]

No. 152.

Mr. Lister to Sir Edward Grey.—(Received May 22.)

(No. 33. Africa.)

Sir,

Paris, May 21, 1908.

I CALLED yesterday upon the Minister for Foreign Affairs, and left with him a Memorandum in the sense of the instructions contained in your despatch No. 33, Africa, of the 14th instant, relative to the Ethiopian Railway. M. Pichon took note of the desire of His Majesty's Government to have before them the text of the new Concession, which he said he quite understood.

He also promised to let me know what was the exact situation with regard to the appointment of a British and an Italian Representative on the Board of the French Company or Companies intrusted with the construction and working of the railway.

I have, &c.
(Signed) REGINALD LISTER.

[17901]

No. 153.

Sir E. Egerton to Sir Edward Grey.—(Received May 25.)

(No. 21.)

Sir,

Rome, May 21, 1908.

I HAVE the honour to inclose herewith translation, as published in the "Tribuna" last night, of the semi-official communiqué of the Agence Stefani on the nature of the Convention signed on the 16th instant between the Emperor Menelek and the Italian Minister at Adis Ababa, fixing the frontiers of Italian Somaliland and of Dankalia, or Southern Erythræ.

I have requested Colonel Delmé-Radcliffe to report on this arrangement, which has

* No. 127.

† No. 148.

extended the former Italian Colony from Lugh to Dolo; and has fixed the frontier of Dankalia at 60 kilom. from the sea.

The sum of 3,000,000 fr. is to be paid to the Emperor Menelek.

I have, &c.

(Signed) EDWIN H. EGERTON.

Inclosure in No. 153.

Extract from the "Tribuna" of May 20. Semi-official Communiqué of the Stefani Agency.

(Translation.)

THE Emperor Menelek and the Italian Minister at Adis Ababa signed on the 16th May a Convention which regulates definitely the frontiers of Somaliland and Dankalia.

For Somaliland the frontier starts from Dolo, at the confluence of the Daua with the Ganana, at about 500 kilom. from the mouth of the Giuba, and, continuing north of the fourth parallel, joins the Uebi Scebeli. From the Uebi Scebeli it is drawn towards British Somaliland along the line of 1897 parallel to the coast.

For Dankalia the boundary is at 60 kilom. from the coast.

The Agreement is completed by suitable clauses for the regulation of the dependence and rights of the tribes situated on the line of the frontier and on both sides of it.

A mixed Commission will proceed to the actual delimitation of the frontier on the spot.

A special Commercial Agreement has been signed simultaneously to facilitate exchange between Southern Ethiopia and Benadir.

An additional Act fixes at the figure of 3,000,000 Italian lire the indemnities and compensation to be paid to Ethiopia.

The Agreement is expressly made subject to Parliamentary approval and Royal sanction. As soon as the documents arrive in Rome, the Minister for Foreign Affairs will present to Parliament the necessary Bill, and will ask that it may be discussed before the summer vacation.

[17902]

No. 154.

Sir E. Egerton to Sir Edward Grey.—(Received May 25.)

(No. 22. Africa.)

Sir,

Rome, May 21, 1908.

WITH reference to my despatch No. 21, Africa, of to-day, I have the honour to transmit to you herewith a report which I have received from the Military Attaché to His Majesty's Embassy, reporting on a conversation with Signor Agnesa on the Frontier Agreement with Abyssinia of the 16th instant, and I have to repeat that I trust the station at Lamu may be rapidly erected. As for the trade routes near the Juba, *prima facie* they should rather be left free than settled in Europe between the two Governments as suggested.

I have, &c.

(Signed) EDWIN H. EGERTON.

Inclosure in No. 154.

Lieutenant-Colonel Delmé-Radcliffe to Sir E. Egerton.

Sir,

Rome, May 21, 1908.

I HAVE the honour to report, for your information, that I had a conversation with the Commendatore Agnesa, Chief of the Colonial Section of the Foreign Office, this morning on the subject of the new Agreement with Abyssinia, published in to-day's papers.

Signor Agnesa expressed himself as very pleased with the result achieved, as he said it had cost him a long period of very patient work, for at every step difficulties were raised and all the pretensions of the Chiefs living near the border had to be taken

into account. He said the new arrangement would give the Italians all the country between Bardera and Dolo. He wished Waladeyi to be selected as the point from which the line of the frontier would start from the Ganana to the Webi Shwebeli, but that the Abyssinians had objected to going beyond Dolo. Dolo is about 10 miles down-stream from Waladeyi, and Signor Agnesa said after all the frontier line might start from Waladeyi, as Dolo was an insignificant collection of scattered huts and could not easily be defined. A Commission would have to be appointed to delimit the actual line of frontier both in Somaliland and in the Danakil country. The line would be adjusted to suit the areas claimed by the various tribes, some remaining within and some being excluded from Italian territory. One immense advantage of the arrangement would be to enable raids to be controlled and proper responsibility to be assigned for any fighting which took place on either side of the frontier.

Signor Agnesa said the 120,000l. to be paid to Menelek was a large sum, and had to be termed euphemistically an "indemnity," as Menelek did not wish to appear to be selling his country. It was a very large sum, but worth paying for the sake of finally defining the limits of authority, and Signor Agnesa thought Italy had now secured a good frontier line. The "indemnity" would be paid over as soon as the Chambers had voted the expenditure.

Signor Agnesa then went on to say that he hoped now soon to approach the British Government with the object of coming to some friendly agreement concerning trade-routes on either side of the Juba. Otherwise a mutually destructive rivalry might spring up. It would be the aim of the British to attract the trade of the hinterland to the British side of the river and the object of the Italians to keep it their side, while a *modus vivendi* might perhaps be arranged advantageous to both parties and which would permit Italian trade, for instance, to come from the regions north of Lake Rudolph, and, after traversing British territory, to re-enter Italian territory, say, at Lugh. Similar conveniences might perhaps be arranged for British trade.

Signor Agnesa then went on to say that he hoped also to propose an Agreement with the British Government concerning the Mullah, but that he would talk with me about that another time.

From this subject Signor Agnesa turned to that of the installation of wireless telegraphy stations in Benadir. He said that the stations in Italian territory would all be in working order by the end of this month, and he was hopeful that eventually the British Government would carry out the installation at Lamu, as was so much desired by the Italian Government. But he was rather disappointed that the British Government had spoken of the probability of so much delay in the installation, if it were carried out. After all, nowadays one could buy a wireless plant almost as easily as one buys a hat, and no doubt Marconi could have supplied the station at Lamu, like the Italian ones, at a very small cost and immediately had he been asked to do so. Signor Agnesa said he earnestly hoped that eventually the British Government would have a station at Lamu, but he foresaw, at any rate, some months of delay. He proposed to make the connection between the Benadir stations and the cable at Lamu in the following manner, to be in operation until the wireless station was installed at Lamu: The Italian war-vessels on the East African coast have wireless apparatus, but not sufficiently powerful to send check messages from Lamu to Jumbo, though they could take in messages. He would therefore station a vessel at Kismayu, 30 kilom. from Jumbo, a distance over which she could send the check signals to Jumbo. Kismayu was the nearest safe anchorage to the mouth of the Juba. When a message had been received the vessel would then steam with it to Lamu, and hand it in at the cable telegraph station there. Lamu was not many hours' steaming from Kismayu, and in this manner telegrams from Benadir could reach Italy within twenty-four hours or so, until the British Government had installed the wireless station at Lamu.

I have, &c.

(Signed) C. DELMÉ-RADCLIFFE, Lieutenant-Colonel,
Military Attaché.

[17976]

No. 155.

Colonial Office to Foreign Office.—(Received May 25.)

Sir,

Downing Street, May 23, 1908.

I AM directed by the Earl of Crewe to acknowledge the receipt of your letter of the 18th ultimo, and to state, for the information of Secretary Sir E. Grey, that the

[1557]

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Lords Commissioners of His Majesty's Treasury have now sanctioned the proposed expenditure on account of the Commission for the delimitation of the frontier between Abyssinia and the East Africa Protectorate.

2. The Commission, which will consist of Major C. W. Gwynn, C.M.G., D.S.O., R.E., Captain R. L. Waller, R.E., two non-commissioned officers of the Royal Engineers, a medical officer, and a transport officer, will leave England about the middle of June next.

3. The Director of Military Operations has suggested that the Commission should also be utilized for the demarcation of that portion of the frontier between the Anglo-Egyptian Sudan and Abyssinia from the parallel 60° north to the Akobo, and Lord Crewe will be glad to learn whether Sir E. Grey concurs in this proposal.

4. I am to add that the Lords Commissioners of the Treasury have expressed their inability to agree to any additional expenditure being incurred on account of an increased escort for Mr. Zaphiro, the Anglo-Abyssinian Boundary Inspector.

I am, &c.

(Signed) R. L. ANTROBUS.

[18527]

No 156.

International Ethiopian Railway Trust and Construction Company to Sir Edward Grey.—
(Received May 29.)

Sir,

34, Clements Lane, London, May 27, 1908.

WE have the honour to acknowledge receipt of your letter of the 30th ultimo, and have learnt with profound regret of the reply which his Excellency the French Ambassador has been instructed to make to the representations which you were so good as to address to the French Government on behalf of the British commercial interests which we represent in the Ethiopian Railway Company.

We have no desire to occupy your time by recapitulating the statements contained in our letters of the 12th February and the 30th March, but we must beg you to allow us to deal as briefly as possible with the assertions advanced by M. Cambon in justification of the refusal of the French Government to entertain the eminently fair and reasonable proposal which we renewed in our letters already referred to.

We would observe, in the first place, that in merely repeating that the French Government adhere to their attitude in regard to the reservation under which the Ministerial authorization of the 1st March, 1906, was given, M. Cambon makes no attempt to controvert the arguments adduced in our letter of the 12th February. When, however, M. Cambon goes on to state that "the International Ethiopian Railway (Trust and Construction) Company was aware of the value of the reservation when it gave its assistance to the Imperial Ethiopian Railway Company," we must confess to finding some difficulty in appreciating the force of this observation.

It is perfectly true that we did attach a certain value to the reservation, that is, we attached to it the meaning which the words bear when reasonably construed, viz., that the French Government, in sanctioning the issue of the bonds on the terms set out in M. Clémentel's letter, disclaimed any responsibility either as regards the principal or interest of these bonds, either *vis-à-vis* the Railway Company, ourselves, or any third party into whose hands they might subsequently pass.

If, however, as appears to be implied, M. Cambon suggests that at the time when, with the consent and at the request of the French Government, we lent our assistance to the Ethiopian Railway Company we knew that the French Government intended the reservation as an intimation that it reserved to itself the right to place the Railway Company in a position which left it no alternative but to go into judicial liquidation six weeks before the date fixed by the French Government itself at which the securities we had agreed to accept became negotiable, and before they were even handed over to us, we can only affirm in the most formal manner that no such idea was present to our minds. Moreover, we submit with confidence that we could not be expected to foresee that the French Government would lend itself to a manoeuvre so incompatible not only with the most elementary principles of public morality, but with all the recognized traditions of fair dealing.

We desire further to point out that we have not asked the French Government to give us "privileged treatment" in contradistinction to the treatment accorded to those who represent French interests in the Ethiopian Railway Company. All that we have asked for is just and equitable treatment of the interests we represent, and we have

based our claim to that treatment on our special relations with the Railway Company and the French Government. As representing British interests, we are entitled to ask the assistance of the British Government in the protection of those interests; we have no right to ask the assistance of the Foreign Office to safeguard French interests in the railway; but we should derive nothing but satisfaction from seeing the same just and equitable treatment we are seeking for the interests we represent accorded to the French interests in the Ethiopian Railway Company.

We turn now to another point in M. Cambon's reply. His Excellency takes exception to the statement of our view as set out in the third paragraph of your letter under acknowledgment, and states that "this view does not accurately represent the intervention of the French Government in the liquidation of the Imperial Ethiopian Railway Company."

We venture to express our regret that M. Cambon has not deemed it necessary to indicate in what respect the statement to which he takes exception is inaccurate. This statement was based on official documents, addressed by the Judicial Liquidator to the Juge Commissaire, as set out in our letter of the 12th February, and in calling in question the accuracy of the statement referred to, M. Cambon would appear to be casting doubts on the reliability of the testimony of the high judicial official from whom those statements emanated. Yet we find it somewhat difficult to accept this view when we remember that on a former occasion, as is stated in your letter of the 7th February, M. Cambon referred to the official in question as "alone qualified to examine the claims of the creditors of the said Company," and added the assurance that "the claims of the Trust Company will, without any doubt, be considered with the fullest sense of justice." It is consequently with regret that we find M. Cambon now appearing to suggest doubts as to the accuracy of statements made by an official to whose sense of justice his Excellency has so recently borne such striking testimony.

When, moreover, we examine the view of the French Government as set forth by M. Cambon, we again find his Excellency in conflict with the Judicial Liquidator. M. Cambon states that "the liquidation of the Company followed the usual legal course." Under the procedure usually adopted in France, where a Company is placed in judicial liquidation, the usual course, we are advised, is for the Company to be reconstructed on the proposal of the Judicial Liquidator, with the concurrence of the shareholders and the consent of the creditors. This would appear to be the view of his duty entertained by the Judicial Liquidator in the case of the Ethiopian Railway Company. But in the opening passage of his Report, dated the 14th November, 1907, referred to in our letter of the 12th February, M. Vacher states expressly:

"Dès l'origine, la solution d'un concordat pur et simple, la Compagnie étant chargée d'achever la ligne jusqu'à Addis-Abeba et de l'exploiter, a été écartée par le Gouvernement."

The remainder of M. Cambon's statement may be conveniently divided into three heads:

1. That the "sole motive of the intervention of the French Government in the cession of the Company's assets by the Liquidator to a new Company was the protection of all the creditors."

2. That this intervention has been successful, having "resulted in the protection of the interests of all the creditors, and consequently of all the English shareholders."

3. That "the proceedings of the Railway Company, and especially its last operations with the Trust Company, resulted in increasing its liabilities indefinitely, and in bringing it to the verge of bankruptcy;" that "these proceedings constituted, further, a flagrant violation of the Agreement which bound the Railway Company to the French Government and exposed it to forfeiture;" and that "the French Government had legally the right and the power to have the forfeiture declared, which would have involved the confiscation of the Railway Company's assets and the complete suppression of the security of the creditors."

(1.) In dealing with the first of these assertions, we recognize that it is somewhat difficult to ascertain the motive which has induced a certain line of action. But in the present case we venture to submit that there are substantial grounds for questioning the benevolent motives ascribed by M. Cambon to his Government. Numerous articles have appeared in the French press in which the intervention of the Government has been urged openly and avowedly, with the object not of protecting the interest of the creditors, but of freeing the Ethiopian Railway Company from the alleged domination

of a foreign group—"pour écraser le groupe Anglais." It may be urged that, whatever motives may have inspired the French press, the Government has been actuated solely by the motive attributed to it by M. Cambon. But it is a little difficult to reconcile this view of the case with the observations made by the reporter on the Budget of Foreign Affairs in the Senate on the 24th December, 1907, which we quoted at length in our letter of the 12th February, but of which we permit ourselves to quote again the closing sentence. This is the statement of the high authority alluded to:

"Une note du Conseil des Ministres d'hier ou ce matin rassurait à cet égard l'opinion publique en faisant apparaître que la Société, qui jusqu'alors avait traité cette affaire, allait disparaître et faire place à un nouveau groupement qui, cette fois, ferait aboutir l'œuvre et le ferait aboutir dans l'intérêt véritablement Français."

Indeed, it is a matter of notoriety that, so far from the French Government being actuated by the praiseworthy motive ascribed to it by M. Cambon, its action has openly and avowedly been directed towards the elimination of the foreign, i.e., British, element in the enterprise at the lowest possible cost to itself and to the financiers whose assistance it has invoked. In this connection we would venture to remind you of the evidence we have already furnished to you as to the attitude of M. Klobukowski immediately prior to his departure on his special mission to Abyssinia.

2. We confess to finding some difficulty in dealing with the second of the statements into which we have ventured to divide M. Cambon's presentation of the case of the French Government. Up to the present moment the creditors—French as well as British—have so far failed to recognize that the intervention of the French Government has resulted in "the protection of their interests." The Judicial Liquidator—to whose sense of justice M. Cambon has, as we have before pointed out, borne unqualified testimony—would appear to share the views of the creditors rather than those of the French Government as explained by M. Cambon. The method of protecting the interests of all the creditors "and consequently of the English shareholders," adopted by the French Government, would appear to consist in compelling the Judicial Liquidator, under a threat of forfeiture (see M. Vacher's report to the Juge Commissaire under date the 20th January, 1908, referred to in our letter of the 12th February), to transfer to its own financial nominees assets belonging to the creditors and shareholders of the Ethiopian Railway Company, which are declared by the Judicial Liquidator to be worth at the lowest possible valuation 26,000,000 fr. for a consideration of less than 8,000,000 fr. in capital value.

3. M. Cambon states that "the proceedings of the Railway Company, and especially its last operations with the Trust Company, resulted in increasing its liabilities indefinitely."

The facts are:

(a.) That "the proceedings of the Railway Company," so far as the Trust is concerned, were approved by the French Government up to the 1st March, 1906, and that as regards the transaction between the Railway Company and the Trust Company in respect of the coupon due on the 1st June, 1906, this transaction was imposed on both Companies by M. Clémentel, the then Minister for the Colonies.

(b.) The last operations are presumably the transactions by which the Trust Company advanced certain sums of money to the Railway Company to meet the coupon falling due on the 1st September, the 1st December, 1906, and the 1st March, 1907. These operations do not, in fact, increase the liabilities of the Railway Company "indefinitely." If they can be said to have increased the liabilities of the Railway Company at all, they did so to the amount of 1,093,000 fr. But these transactions constituted rather a transfer than an increase of liabilities, since the liability of the Railway Company to pay the coupons as they fell due was indisputable, and in furnishing the Railway Company with funds to meet these existing liabilities, the Trust Company did not increase the liabilities of the Railway Company, but merely substituted itself as creditor of the Railway Company in place of the holders of the coupons, which were, as a matter of fact, deposited with the Crédit Lyonnais as collateral security for the advances made by the Trust Company.

Further, M. Cambon states that these last operations "resulted in bringing the Railway Company to the verge of bankruptcy." What these last operations, in fact, did was to avert for a time the bankruptcy to the verge of which the Railway Company had been led by the action of the French Government.

At the risk of repetition we must once more ask permission to remind you of the position of affairs when these operations were undertaken. The Railway Company had, ever since the completion of the line to Diré Daoua, entertained the hope that it would

be placed in a position to receive the "dîme" of 10 per cent. to which it was entitled under Articles 9 and 10 of the Concession of 1894. Its right to collect this "dîme" had been recognized by the French Government, but difficulties of a diplomatic character had arisen consequent on the objections entertained by the Emperor Menelek to the Convention of 1902. The French Government had repeatedly assured the Railway Company that the negotiations then in progress would result in a solution satisfying the just claims of the Railway Company, and the shareholders had been requested to exercise patience. In July 1906 it became known that these protracted negotiations had at length resulted in an Agreement between the Governments of France, Great Britain, and Italy, but the terms of that Agreement were not made public until the signature of the Tripartite Agreement of the 13th December, 1906. The Directors of the Railway Company were, therefore, aware that the Agreement, which they had every reason to believe would place them in possession of a source of income to which they were entitled, but of which they had hitherto been deprived, had in fact been concluded, though they were unaware of its terms. Yet it was at this moment, when the legitimate hopes of the shareholders appeared on the point of realization, that the French Government declined to sanction a further issue of bonds to permit the Railway Company to meet its liabilities towards its bondholders. At the same time, while refusing its sanction to an issue of bonds, the French Government informed the Railway Company that it might procure the funds of which it stood in need "par tout autre moyen régulier." In these circumstances the Board of the Railway Company considered not only that they were entitled to raise the funds required for the payment of the coupon by means which they were advised were "régulier," but that they would have been guilty of a grave dereliction of duty towards their shareholders had they failed to provide the necessary funds, and thus placed the Company in a position where it would have had no alternative but to accept judicial liquidation on the very eve of what the Directors had every reason to believe was the realization of their long-deferred hopes.

We now come to that portion of M. Cambon's statement which may, perhaps, be considered as presenting the most plausible aspect from a purely legal point of view. M. Cambon states that "the proceedings constituted, further, a flagrant violation of the Agreement which bound the Railway Company to the French Government and exposed it to forfeiture." The French Government had, he continued, "legally the right and the power to have the forfeiture declared, which would have involved the confiscation of the Railway Company's assets and the complete suppression of the security of the creditors."

As we have already informed you, before making the advances to the Railway Company to meet the coupons which became due on the 1st September and the 1st December, 1906, and on the 1st March, 1907, we were advised by our French legal advisers, distinguished "avocats," that we could make the advances, and that the Railway Company was entitled to accept them and to give the security on which the advances were made, viz., the station at Diré Daoua and a section of the line situated in Abyssinian territory, without in any way violating the Agreement to which M. Cambon refers. That opinion has since been confirmed by other distinguished members of the French Bar. We recognize that we cannot ask the Foreign Office to decide as to which view of the legal obligations of the Ethiopian Railway Company arising out of its Agreement with the French Government is correct, but we submit that a course of action taken under the advice of French counsel cannot, with any regard for the accurate use of language, be described as a "flagrant violation" of the Agreement referred to.

Putting on one side for the moment the technical legal aspect of the case, we invite your attention to the following statement of facts which, we submit, demonstrates that, on grounds of justice and equity, our claim to rank as privileged creditors in respect of the sums we advanced to the Railway Company between August 1906 and March 1907 is well founded:—

1. The loans were made in the *bond fide* belief that we were entitled to make them and that the Railway Company was legally in a position to contract them.
2. The loans were *bond fide* loans, made in sterling, and were for the legitimate purposes of the Railway Company.
3. The rate of interest was 5 per cent. in the case of the loan made on the 31st August, 1906, and 6 per cent. in the case of the subsequent loans. These rates were, in the circumstances, not only reasonable, but exceptionally low.
4. During the period covered by these loans we were in close and constant

relations with Representatives of the French Government, with whom we were negotiating on the basis that the Ethiopian Railway Company was to continue to exist, and before each date of the falling due of a coupon the question of our finding the money to retire it formed the subject of discussion between ourselves and these Representatives of the French Government. Had the coupon not been met, the Railway Company must necessarily have deposited its balance-sheet and gone into judicial liquidation, and the negotiations would have come to an end. We were given to understand that this was not the desire of the French Government.

You will observe that of the three operations referred to by M. Cambon, two—those affecting the payment of the coupons falling due on the 1st September and 1st December, 1906—took place before the publication of the Tripartite Agreement of the 13th December, and, therefore, before the Boards of the Railway Company or of the Trust Company were aware of the terms of that instrument. Article 6 of the Agreement of the 13th December is in the following terms:—

“The three Governments agree that the Jibuti Railway shall be prolonged from Diré-Daoua to Adis Ababa with a branch line to Harrar eventually, *either by the Ethiopian Railway Company, in virtue of the deeds enumerated in the preceding Article, or by any other private French Company which may be substituted therefor, with the consent of the French Government.* . . .”

The words we have underlined* clearly contemplate that the extension of the line to Adis Ababa might be carried out by the Ethiopian Railway Company, and in view of the sacrifices which that Company had made, and of the delays which had been imposed on it during the diplomatic negotiations which preceded the signature of the Agreement, the Directors felt that they were justified in assuming, notwithstanding the hostility of certain elements in some of the Government Departments, that the French Government would have due regard to the large and important interests they represented—both French and British—and would use its influence with the Emperor Menelek to secure to the Company the enjoyment, either in whole or in part, of the 10 per cent. “dime” already referred to, at the same time entrusting to the Company, on fair and reasonable terms, the construction of the second section of the line to Adis Ababa. If those objects were to be attained, it was necessary that the Railway Company should continue in existence, and during the negotiations which followed the publication of the Tripartite Agreement and preceded the payment of the March coupon with moneys furnished to the Railway Company by the Trust, we were distinctly and repeatedly given to understand by the accredited Representative of the French Government that it was the wish of that Government that the Railway Company should be maintained in existence.

Early in the month of February 1907 M. Klobukowski was, as you are aware, appointed Special Envoy and Minister Extraordinary to the Court of the Emperor Menelek in connection with the affairs of the railway. Before leaving on his mission M. Klobukowski, as the accredited Representative of the French Government, entered into negotiations with us and had interviews on several occasions with Mr. Albert Ochs, a member of our firm, and with M. Acat, the Manager of the Trust Company in Paris. M. Klobukowski stated that, as representing the Minister for Foreign Affairs, he was opposed to the proposals which had been advocated for putting the Railway Company in judicial liquidation, and that he was anxious that the Railway Company should be maintained in existence during his negotiations with the Emperor Menelek. We will not trouble you with a detailed account of the negotiations, but the objects which M. Klobukowski at first sought to obtain by those negotiations may be summarized as follows:—

- (a.) The maintenance of the Railway Company;
- (b.) The conclusion of some arrangement by which the Trust Company should continue to lend its financial support to the Railway Company for a further period;
- (c.) The discovery of some agency by which this further financial support could be given under a French “manteau” or “paravent”—to use M. Klobukowski’s own expressions—so as to avoid further ruffling of French susceptibilities.

In view of the importance of these negotiations, the Earl of Chesterfield, as Chairman of the Trust Company, proceeded to Paris, where, on the 22nd February, accompanied by Mr. Ochs, he had a long interview with M. Klobukowski. At our

* Printed in italics.

request Lord Chesterfield has stated in writing his recollection of what passed at that interview, and we have the honour to send you herewith a copy of Lord Chesterfield’s letter addressed to us under date of the 21st May, 1908.

On the 28th February—the date before the March coupon fell due—a further interview took place between Mr. Ochs and M. Acat, as representing the Trust Company, and M. Klobukowski and M. Guernaut, a high official of the Ministry of Finance, as representing the French Government. At this interview it was stated by MM. Klobukowski and Guernaut that, in order to allay the irritation of the French public at the presence of an English group in an enterprise which it was desired should be French, it was desirable that the Trust Company should cede its position to a French group and retire from the business. This Mr. Ochs at once expressed his willingness to do, and stated the terms on which the Trust Company was prepared to make the cession. But the point to which we particularly wish to draw your attention is that M. Guernaut on that occasion asked Mr. Ochs if he proposed to pay the coupon falling due on the following day. From a Memorandum of the proceedings made at the time we take the following:—

“M. Guernaut demande à M. Ochs s’il paie le coupon. M. Ochs répond affirmativement. M. Guernaut répond alors que le Gouvernement attendra.”

It was in these circumstances that the coupon of the 1st March was paid, and we submit with confidence, in view of the negotiations in which we were engaged with the French Government, and of the express declarations of M. Klobukowski as to the desire of the French Government to maintain the Company in existence, that we were justified in the course we adopted.

Yet it is these operations which M. Cambon now characterizes as constituting “a flagrant violation of the Agreement which bound the Railway Company to the French Government and exposed it to forfeiture.”

The negotiations continued for some time after the payment of the coupon on the 1st March, but we will not trouble you with further details, merely adding that, having presumably failed to induce its financial associates to purchase the interests of the Trust Company, the French Government eventually yielded to the clamours of those who had persistently demanded the liquidation of the Company as the means of eliminating the foreign—i.e., the British—element, and on the 27th March took the first step towards forcing the Railway Company into liquidation by addressing to it the “mise en demeure” of which we have already furnished you with a copy.

It is with the greatest reluctance that we have felt it our duty to those whose interests are intrusted to us to enter into these details. But M. Cambon’s reply, in which the French Government again rejects the very fair and reasonable proposal we have made, has left us no alternative but to do so; and we would venture, in view of the additional facts now set out in this letter, to invite you to make a further attempt to obtain from the French Government equitable consideration for our claims.

In doing so we would again venture to urge that the disregard of legitimate British commercial interests by the French Government cannot fail to have a most regrettable influence on the public mind in this country, should the facts become known; but we still cherish the hope that a more detailed examination of the question than has apparently yet been made may induce the French Government to reconsider the decision conveyed in your letter under reply.

We have, &c.
(Signed) OCHS BROTHERS,
Managing Directors.

P.S.—We would point out that under Article 7 of the new Concession granted by the Emperor Menelek to Dr. Vitalien on the 30th January last, the Ethiopian Government granted a tax or “dime” of 6 per cent. on all merchandise carried on the Railway, of which 4 per cent. goes to the new Company and 2 per cent. to be expended by the Ethiopian Government in the construction of roads subsidiary to the railway. It is a matter of notoriety that the Concession granted to Dr. Vitalien was obtained by the exertions of M. Klobukowski, so that the French Government, by its accredited Agent, has used its influence to obtain for the proposed new Company the same tax or “dime,” reduced in amount, which was secured to the Ethiopian Railway Company under Articles 9 and 10 of its Concession, but which the Ethiopian Railway Company was never permitted to enjoy.

O. B.

Inclosure in No. 156.

Lord Chesterfield to International Ethiopian Railway Trust and Construction Company.

Dear Sirs, 35, Wimpole Street, London, May 21, 1908.
 WITH reference to the interview which Mr. Ochs and I had in Paris with M. Klobukowski on the 22nd February, 1907, I remember perfectly that M. Klobukowski then stated that, after having thoroughly examined the whole position, he wished the Ethiopian Railway Company to be maintained, and was opposed to its liquidation. He further desired that means should be found to assure its continuance pending the completion of the negotiations which he was about to undertake in Abyssinia with the Emperor Menelek.

For this reason M. Klobukowski expressed his readiness to recommend his Government to authorize the Ethiopian Railway Company to make a further issue of bonds, to the extent necessary to reimburse the coupons already paid by the Trust Company, and to meet those falling due within the next year, and said he would be glad if the Trust Company would provide the funds to take up this issue of bonds. He added, however, a proviso that, in order to allay certain French susceptibilities, the Trust Company should take the bonds through the intermediary of, or in partnership with, a French banking institution or firm.

M. Klobukowski also asked me whether, with the object of disarming the attacks that were being made by the French press upon the Trust Company on account of its British nationality, we would be willing to modify its administration with a view to giving it a French complexion. I replied that I was convinced my Board would be quite ready, in order to prove the Trust Company's good faith and non-political aims, to elect two or three French Directors, and I offered to resign the Chairmanship of the Company in favour of one of the French Directors if it were so desired.

After this interval I could not of course give details of all the subjects of our conversation, which was a long one, lasting some two hours, but I am perfectly clear in my recollections as to the main points mentioned above, and as to the anxiety shown by M. Klobukowski that the Ethiopian Railway Company should be maintained, and arrangements made for its future finance by the Trust Company.

Yours faithfully,
 (Signed) CHESTERFIELD.

[18597]

No. 157.

Sir J. Harrington to Sir Edward Grey.—(Received May 30.)

(No. 16.)

Sir, Adis Ababa, May 9, 1908.
 WITH reference to your despatch No. 31, dated the 3rd ultimo, I have the honour to state that, so far as my knowledge goes, the only Concession acquired by Herr Holtz is one which authorizes him to establish a motor service between Diré Dawa and Adis Ababa for passengers and goods.

I am, &c.
 (Signed) J. L. HARRINGTON.

[17976]

No. 158.

Foreign Office to Colonial Office.

Sir, Foreign Office, May 30, 1908.
 I AM directed by Secretary Sir E. Grey to acknowledge the receipt of your letter of the 23rd instant relative to the appointment of a Commission for the delimitation of the frontier between Abyssinia and the East Africa Protectorate. I am to request you to inform the Earl of Crewe that Sir E. Grey concurs in the proposal that the Commission should be utilized for the demarcation of that portion of the frontier between the Anglo-Egyptian Soudan and Abyssinia from parallel 60° N. to the Akobo.

I am, &c.
 (Signed) F. A. CAMPBELL.

No. 159.

[18734]

Sir F. Lascelles to Sir Edward Grey.—(Received June 1.)

(No. 241.)

Berlin, May 22, 1908.

Sir, WITH reference to my despatch No. 37 of the 26th January last, I have the honour to report that the "Schlesische Zeitung," which seems to keep in close touch with the development of affairs in Abyssinia, learns from Adis Ababa that Herr Holtz' mission to that capital has not proved a success. Apart from the fact that the Negus was from the first inclined to be prejudiced against Herr Holtz, His Majesty considered that the concessions which that gentleman demanded could not be granted in view of the terms of the Treaties concluded with Great Britain, France, and Italy. Stress is again laid by the German papers which report this news on the absolutely unofficial character of Herr Holtz' mission, whose object was the establishment of a German bank at Adis Ababa, the grant of a spirit monopoly, institution of a motor-car service between the capital and several provincial towns, and various minor concessions.

I have, &c.
 (Signed) FRANK C. LASCELLES.

[19040]

No. 160.

General Post Office to Foreign Office.—(Received June 2.)

Sir,

General Post Office, London, June 1, 1908.

WITH reference to your letter of the 15th ultimo, transmitting copies of correspondence relative to the wish of the Abyssinian Government to enter the Universal Postal Union, I am directed by the Postmaster-General to acquaint you, for the information of the Secretary of State for Foreign Affairs, that mails are not sent to or received from Abyssinia, but postal communication is carried on through the intermediary of the Post Office of French Somaliland.

The transmission of correspondence between this country and Abyssinia would no doubt be facilitated were the latter to enter the Union; but for the present, at any rate, it would be convenient to continue to send all correspondence for Abyssinia to the Post Office of French Somaliland.

So far as is known here, the only post office in Abyssinia is that which is maintained by the French at Dirré-Daoua on the railway connecting Djibouti with Harrar in Abyssinia, although stamps appear to be on sale at Harrar. The correspondence of the British Legation at Adis Ababa is apparently conveyed by Legation Messenger between Jibuti and Adis Ababa, and probably some private correspondence is conveyed by similar means. Generally speaking, however, the means of conveyance are entirely under French control.

I am, &c.
 (Signed) A. G. KING.

[19327]

No. 161.

Memorandum communicated by M. Geoffray, June 3, 1908.

SUR la demande de l'Empereur Ménélik, l'Ambassadeur de France à Berne a remis au Directeur-Général de l'Office International Postal de Berne une demande que le Négus adresse à cet Office à l'effet d'obtenir l'admission de l'Abyssinie dans l'Union Postale.

Le Gouvernement Français serait heureux que le Gouvernement Britannique voulût bien charger son Représentant à Berne de déclarer officiellement au Gouvernement Fédéral que la demande d'admission de l'Éthiopie dans l'Union Postale est présentée par la France d'accord avec la Grande-Bretagne et l'Italie. Le Ministre d'Italie à Berne a déjà été chargé de faire une démarche dans le même sens.

Le 3 Juin, 1908.

[1557]

2 L

[19500]

No. 162.

Sir J. Harrington to Sir Edward Grey.—(Received June 6.)

(No. 18.)

Sir,

Adis Ababa, May 16, 1908.

I HAVE the honour to acknowledge the receipt of your despatch No. 36 of the 20th March last, and the accompanying correspondence, relative to the control of the frontier between Abyssinia and the East Africa Protectorate.

There is no objection to placing the Frontier Inspectors under the control of this Legation; such an arrangement would probably facilitate the checking of Abyssinian raids.

I have approached the Emperor on the subject of the Inspectors residing on the Abyssinian side of the boundary so far without success. His present excuse is that we can discuss this question when the frontier is delimited. Even when this is done I anticipate considerable opposition, more particularly on the part of the local Chiefs, to any arrangement which entails the presence of British officials permanently in the Borana country. In 1906 I was obliged to order the present Frontier Inspector to reside on the East African side of the boundary, and he has since made his headquarters on the British side of the line at Churre Moyele, which, so far as present information goes, is the only healthy place for an observation post on our side.

When the frontier is definitely delimited it may be possible to obtain the Emperor's consent to our Inspectors residing in Abyssinian territory, though this probably may entail a money payment for the permission.

I do not, however, consider it absolutely essential that our Inspectors should be in Abyssinian territory; they will be perfectly safe at Churre Moyele, as, in case of danger, being recognized by the Abyssinian authorities, they can cross the border.

The main object of the Frontier Inspectors being to insure protection against Abyssinian raids, this can be done by two Inspectors and 100 men, and at the same time incursions of Abyssinian elephant hunters can be considerably checked. It is from the hunters that the Inspectors have more to fear than from the tribes along the frontier in British territory. The number of men is placed at 100, to allow of personal escorts to the Inspectors, patrols along the frontiers, occasional detached parties with the Chiefs of our tribes and a 25 per cent. non-effective list on account of sickness, the low country being very unhealthy.

The cost of the above scheme, so far as it is possible to furnish an estimate with the information at my disposal, would be as under:—

British officer	..	..	..	..	£	600 per annum.
Mr. Zaphiro*	..	..	..	..	500	"
Interpreter	..	..	..	..	100	"
100 men, including rations and clothing	..	..	..	..	1,540	"
Transport	..	..	..	..	1,000	"
Contingencies, ammunition, presents, messengers, &c.	..	..	..	..	350	"
Camp equipment (senior officer)	..	..	..	..	100 on appointment.	"
Total	..	..	..	..	4,190	

* Requires no interpreter.

The officers are stationed 400 miles from any civilized post and can obtain nothing locally except meat and milk; food for men has to be obtained from Sidamo, three weeks by caravan. Consequently, besides the maintenance of transport for patrolling the frontier, there are the journeys to and from Adis Ababa and the provisioning of the officers and men to be taken into consideration.

The Inspectors ought to receive 50*l.* for camp equipment every second year. In addition there will be an initial charge for seventy-six rifles to arm the escorts.

It will also be necessary to construct some sort of block-house at Churre Moyele, though this is a question that can wait till the frontier is delimited. I am unable to say what this would cost.

The estimate undoubtedly appears high, but a glance at a map will explain the necessity for the estimate, which is the minimum to prevent the Abyssinians from raiding south until they come in contact with the administered districts of the East Africa Protectorate.

I have, &c.
(Signed) J. L. HARRINGTON.

[19555]

No. 163.

The Marquis di San Giuliano to Sir Edward Grey.—(Received June 6.)

(Translation.)

THE Italian Ambassador presents his compliments to the Secretary of State, and, with reference to his note of the 15th ultimo, has the honour to inform him that the French Ambassador at Rome has intimated to the Italian Ministry for Foreign Affairs that the French Embassy at Berne has been instructed to suspend, until further orders, the steps in connection with the admission of Ethiopia to the Universal Postal Union.

Subsequently, M. Barrère informed Signor Tittoni that the Government of the Republic recognized the well-founded character of the observations of the Italian Government with regard to the method of procedure, and proposed that the Representatives of Italy, Great Britain, and France at Berne should officially declare to the Federal Government that the request of Ethiopia had been put forward by the French Ambassador after agreement between the three Powers.

The Marquis of San Giuliano has the honour to inform Sir E. Grey that Signor Tittoni informed M. Barrère that the Italian Government accept the proposed procedure, reserving to themselves to examine the technical question after the reply of the Swiss Government has been received.

The Italian Legation at Berne have been instructed to await the communications which the French Ambassador will be charged to make to them.

Italian Embassy, London, June 4, 1908.

[20910]

No. 164.

Sir E. Gorst to Sir Edward Grey.—(Received June 17.)

(No. 7. Africa.)

(Telegraphic.) P.

Cairo, June 17, 1908.

SOUTHERN frontier.

I have ascertained that Soudan Government have no objection to frontier between the Akobo and parallel 6° south latitude being delimited, and that they are prepared to detail an officer to assist Frontier Commission in delimitation if it is desired. They would defray this officer's expenses, but do not wish to incur any further liability.

[19555]

No. 165.

*Sir Edward Grey to M. Cambon.**

Your Excellency,

Foreign Office, June 17, 1908.

WITH reference to the note which your Excellency was good enough to address to me on the 3rd instant, I have the honour to state that instructions are being sent to His Majesty's Minister at Berne to inform the Federal Government that the Emperor Menelek's application to be admitted to the Universal Postal Union was communicated by the French Ambassador at Berne to the International Postal Bureau after an agreement on the subject had been arrived at between the British, French, and Italian Governments.

I have, &c.
(Signed) E. GREY.

* Also to the Marquis di San Giuliano, *mutatis mutandis*.

[19555]

No. 166.

Sir Edward Grey to Sir G. Bonham.

(No. 15.)

Sir,

Foreign Office, June 17, 1908.

I LEARN from the French Ambassador at this Court that at the request of the Emperor Menelek, the French Ambassador at Berne has handed to the Director-General of the International Postal Bureau an application addressed to him by the Negus for the admission of Abyssinia to the Universal Postal Union.

The French Government are anxious that you should inform the Federal Government that the action of the French Ambassador was taken after an agreement on the subject had been arrived at between His Majesty's Government and the French and Italian Governments.

You should address a note to the Federal Government in the sense desired by the Government of the Republic.

I am, &c.
(Signed) E. GREY.

[19500]

No. 167.

Foreign Office to Colonial Office.

Sir,

Foreign Office, June 17, 1908.

WITH reference to the letter from this Department of the 20th March last respecting the control of the frontier between Abyssinia and the British East Africa Protectorate, I am directed by Secretary Sir E. Grey to transmit to you herewith, to be laid before the Secretary of State for the Colonies, a copy of a despatch from His Majesty's Minister at Adis Ababa, together with the draft of the reply which it is proposed with the Earl of Crewe's concurrence to address to Sir J. Harrington in regard to the matter.*

Lord Crewe will observe that Sir J. Harrington anticipates considerable difficulty in obtaining the Emperor Menelik's consent to the establishment of ports on the Abyssinian side of the frontier, but that, in his opinion, His Majesty's consent could eventually be secured in return for a money payment.

Sir E. Grey does not, however, consider it advisable at present that the Emperor should be given to understand that His Majesty's Government might be willing to make any such payment.

Sir J. Harrington outlines a scheme for the control of the frontier, and submits an estimate of the probable outlay involved.

Sir E. Grey would suggest, for Lord Crewe's consideration, that having regard to the unhealthiness of the climate and the exigence of leave the number of officers would appear to be insufficient, and I am to inquire whether his Lordship would wish a section in this sense added to the draft of the despatch which it is proposed to address to Sir J. Harrington.

I am to add that Sir E. Grey does not propose for the present to make any application to the Lords Commissioners of the Treasury on the subject of the expenses to be incurred by the adoption of the scheme put forward by Sir J. Harrington.

I am, &c.
(Signed) W. LANGLEY.

[21266]

No. 168.

Sir J. Harrington to Sir Edward Grey.—(Received June 20.)

(No. 28.)

(Telegraphic.) P.

Adis Abeba, June 19, 1908.

AN official announcement has to-day been made by the Emperor Menelek, naming as his successor his grandson, Lij Yasu, son of Ras Michael.

Nos. 162 and 195.

[21394]

No. 169.

Sir J. Harrington to Sir Edward Grey.—(Received June 22.)

(No. 21.)

Sir,

Adis Ababa, May 30, 1908.

I HAVE the honour to acknowledge your despatch No. 37 of the 24th ultimo, and inclosures, relating to the defence of the Legations at Adis Ababa.

The position at present is that, with the exception of the Germans, whose new Legation is almost finished, no action has as yet been taken by the French or Italians, but I understand they intend to commence building after the rainy season.

The Russian Memorandum of the 24th March last has been dealt with in your reply of the 24th April last.

The proposals of the Russian Representative are purely expenditure which is necessary to render the existing building defensible against mob attack.

The 2,100l. is, I understand, only required in case it may be necessary to subsidize a Chief for the protection of the Legations and European population.

I have the honour to inclose a sketch map* which shows approximately the position of the Legation quarter, which is on the slopes of the hills on the north-east edge of the town.

I have, &c.
(Signed) J. L. HARRINGTON.

[22190]

No. 170.

The Marquis di San Giuliano to Sir Edward Grey.—(Received June 27, 1908.)

(Translation.)

THE Italian Ambassador presents his compliments to the Secretary of State, and has the honour to inform him that the Emperor Menelek has officially charged Count Colli to communicate to the Italian Government the fact that His Majesty has named Lig Jasu as heir to the Throne of Ethiopia.

In the supposition that a similar communication has also been made to the British Legation, the Marquis di San Giuliano would be grateful to Sir E. Grey if he would let him know the view of the British Government upon the matter, and the nature of the reply which it is proposed to return to the Emperor Menelek through the intermediary of the British Legation.

London, June 25, 1908.

[21394]

No. 171.

Sir Edward Grey to Count Benckendorff.

(Confidential.)

Your Excellency,

Foreign Office, June 27, 1908.

ON the 24th April last I had the honour to address to your Excellency a note on the subject of the measures which were being adopted for the adequate defence of the various foreign Legations at Adis Ababa.

I have now received a despatch from Sir J. Harrington, His Majesty's Minister in Abyssinia, in which he states that the proposals put forward by his Russian colleague were intended solely to provide the necessary expenditure in order to render the existing building of the Russian Legation defensible against a mob attack.

Sir J. Harrington adds that the item of 2,100l. in the Russian Minister's scheme is, he understands, only to be used in the event of the necessity arising to bribe one of the Chiefs for the protection of the Legations and European population.

I have, &c.
(Signed) E. GREY.

* Not reproduced.

2 M

[1557]

[22429]

No. 172.

The Marquis di San Giuliano to Sir Edward Grey.—(Received June 29.)

(Translation.)

Sir,

London, June 24, 1908.

I HASTENED to communicate to my Government the note which you were good enough to address to Count de Bosdari under date of the 14th ultimo. My Government direct me to inform you that they do not consider that there is any divergence between their standpoint and that of the British Government with regard to the abolition of internal taxes in Abyssinia. In point of fact, my Government hold the view that all the internal Customs dues and the toll, transit and demurrage dues, which are at present collected for the benefit of the Negus or the Abyssinian Chiefs and petty Chiefs should be abolished or comprised within the 10 per cent. to be imposed on goods in transport in the interior of Abyssinia, and they certainly do not advocate that, as a consequence of the imposition of the aforesaid 10 per cent., the abolition should also take place of all the other internal taxes, namely: the telegraph tax, the telephone tax, the judicial taxes (that is, judicial expenses and fines), the internal tribute for agriculture and cattle, and lastly, the extraordinary impositions in money or in kind ordered by the Negus.

If the question be thus reduced to its proper proportions, my Government feel confident that the British Government will not wish to deny to them their support with a view to obtaining from the Negus and from the local Chiefs the abolition of every internal Customs duty or toll, transit and demurrage due, on the terms mentioned above, in so far as concerns the commercial routes from and to the Italian colonies, and that the British Government will also lend their good offices to secure the effective support of the French Government for the steps which the Italian Representative at Adis Ababa will be instructed to take in the matter.

For the purpose of rendering clear the manner in which my Government desire to carry out the aforesaid substitution, I am directed formally to declare to you that the Italian Government would be disposed:

1. To agree that the toll and transit dues shall be collected along the Adis Ababa-Dire Dawa caravan route also in the case of Italian goods.
2. To agree that, when the same goods follow the French railway route, there shall be levied upon them a 2 per cent. due in substitution for the toll and transit due and a 4 per cent. due for the benefit of the railway.
3. To agree to a supplementary due of 2 per cent. on goods entering and leaving Erythraea and the Benadir along our commercial routes, in substitution for the existing toll, transit, and demurrage dues, provided that the following conditions are accepted:—

(a.) That in the case of railways constructed by Italy we shall be entitled to enjoy the same conditions as those enjoyed by France in respect of the Jibuti Railway;

(b.) That the toll and transit dues be effectively abolished as regards the commercial routes to our Colonies.

The Italian Government would, on their part, naturally be prepared to grant their own support with a view to like conditions being granted to goods following the commercial routes to and from the Soudan.

I am to add that the Italian Ambassador at Paris has been instructed to obtain information from M. Pichon with regard to the steps taken by the French Government with a view to the appointment of Italian, English, and Abyssinian Delegates to the Board of Directors of the French Railway in accordance with Article 7 of the Agreement of the 13th December, 1906.

I shall be grateful to you if you will be good enough to inform me whether the British Government agree with the views set forth above and are prepared to lend us their support for the purpose of putting them into effect.

I avail, &c.

(Signed) A. DI SAN GIULIANO.

[22362]

No. 173.

Sir E. Egerton to Sir Edward Grey.—(Received June 29.)

(No. 24. Africa.)

Rome, June 26, 1908.

Sir,

WITH reference to my despatches Nos. 21 and 22, Africa, of the 21st ultimo, I have the honour to transmit herewith the text and translation of the two Conventions concluded between Italy and Abyssinia for the delimitation of the frontier between Ethiopia and Benadir and between Dankalia and Erythraea, together with the Additional Act.

The Bill laid before Parliament by Signor Tittoni for the approval of these Conventions is accompanied by a "Report," in which the following are the most noteworthy points:—

One of the greatest difficulties in coming to an agreement was to obtain the placing of the frontier at Dolo, above Lugh; for, apart from the question of territory, there was the question of the dependence of the populations through which the line would pass—either the tribe of Digodia had to go to Abyssinia or the Dolo line to be given up.

Another difficulty was to keep within fair limits the amount of compensation to be paid to Menelek; the sum decided on (3,000,000 lire) could not be considered excessive in view of the importance of the territory assured to Benadir, which now included Lugh and Dolo, and gained about 50,000 square miles between the Juba and the Webi-Shebeli.

The idea of a neutral zone above Lugh guaranteed against raids had been given up. The utmost had been obtained, and this was shown by the astonishment with which the news had been received in Abyssinia of the conclusion of these Conventions.

I have, &c.

(For the Ambassador),

(Signed) A. AKERS-DOUGLAS.

Inclosure in No. 173.

*Two Italo-Abyssinian Frontier Conventions.**I.—Benadir Convention.*

(Translation.)

HIS Majesty King Victor Emmanuel III of Italy, in his own name and in the name of his successors, by means of his Representative in Adis Ababa, Cavaliere Giuseppe Colli di Felizzano, Captain of cavalry, and His Majesty Menelek II, King of Kings of Ethiopia, in his own name and that of his successors, desiring to settle definitively the frontier between the Italian possessions of Somalia and the provinces of the Ethiopian Empire, have determined to sign the following Convention:—

ARTICLE 1.

The line of frontier between the Italian possessions of Somalia and the provinces of the Ethiopian Empire starts from Dolo, at the confluence of the Dawa and the Ganale, proceeds eastwards by the sources of the Maidaba, and continues as far as the Uebi Scebeli, following the territorial boundaries between the tribe of Rahanuin, which remains dependent on Italy, and all the tribes to its north, which remain dependent on Abyssinia.

ARTICLE 2.

The frontier on the Uebi Scebeli shall be the point where the boundary between the territory of the Baddi-Addi tribe, which remains dependent on Italy, and the territory of the tribes above the Baddi-Addi, which remain dependent on Abyssinia, touches the river.

ARTICLE 3.

The tribes on the left of the Juba, that of Rahanuin, and those on the Uebi Scebeli below the frontier point shall be dependent on Italy. The tribes of Digodia, of Afgab, of Djedjedi, and all the others to north of the frontier-line shall be dependent on Abyssinia.

ARTICLE 4.

From the Uebi Scebeli the frontier proceeds in a north-easterly direction, following the line accepted by the Italian Government in 1897; all the territory belonging to the tribes towards the coast shall remain dependent on Italy; all the territory of Ogaden, and all that of the tribes towards the Ogaden, shall remain dependent on Abyssinia.

ARTICLE 5.

The two Governments undertake to delimit on the spot, and as soon as possible, the actual line of the frontier as above mentioned.

ARTICLE 6.

The two Governments formally undertake not to exercise any interference beyond the frontier-line, and not to allow the tribes dependent on them to cross the frontier in order to commit acts of violence to the detriment of the tribes on the other side of the line; but should questions or incidents arise between or on account of the limitrophe tribes, the two Governments shall settle them by common accord.

ARTICLE 7.

The two Governments mutually undertake to take no action and to allow their dependents to take no action which may give rise to questions or incidents, or disturb the tranquillity of the frontier tribes.

ARTICLE 8.

The present Convention shall, as regards Italy, be submitted to the approval of the Parliament and ratified by His Majesty the King.

Done in duplicate and in identic terms in the two languages, Italian and Amharic.

One copy remains in the hands of the Italian Government, and the other in the hands of the Ethiopian Government.

Given in the city of Adis Ababa, the 16th day of the month of May, of the year 1908.

(Signed) GIUSEPPE COLLI DI FELIZZANO.

(Seal of Menelek.)

II.—*The Frontier of Dankalia.*

His Majesty Victor Emmanuel, in his own name and in the name of his successors, by means of his Representative in Adis Ababa, Cavaliere Giuseppe Colli di Felizzano, Captain of cavalry, and His Majesty Menelek II, King of Kings of Abyssinia, in his own name and that of his successors, desiring to regulate definitively the frontier between the Italian Colony of Erythræa and the provinces of the Ethiopian Empire, have determined to sign the following Convention:—

ARTICLE 1.

From the most easterly point of the frontier established between the Colony of Erythræa and the Tigré by the Convention of the 10th July, 1900, the boundary proceeds in a south-easterly direction, parallel to and at a distance of 60 kilom. from the coast, until it joins the frontier of the French possessions of Somalia.

ARTICLE 2.

The two Governments undertake to fix the above-mentioned frontier-line on the spot by common accord and as soon as possible, adapting it to the nature and variation of the ground.

ARTICLE 3.

The two Governments undertake to establish by common accord and as soon as possible the respective dependency of the limitrophe tribes on the frontiers on the basis of their traditional and usual residence.

ARTICLE 4.

The two Governments undertake to recognize reciprocally the ancient rights and prerogatives of the limitrophe tribes without regard to their political dependence, especially as regards the working of the salt plain, which shall, however, be subject to the existing taxes and pasturage dues.

ARTICLE 5.

The two Governments formally undertake to exercise no interference beyond the frontier-line, and not to allow their dependent tribes to cross the frontier in order to commit acts of violence to the detriment of the tribes on the other side; but should questions or incidents arise between or on account of the limitrophe tribes the two Governments shall settle them by common accord.

ARTICLE 6.

The two Governments mutually undertake not to take any action, nor to allow their dependent tribes to take any action, which may give rise to questions or incidents or disturb the tranquillity of the frontier tribes.

ARTICLE 7.

The present Convention shall be, as regards Italy, submitted to the approval of Parliament and ratified by the King.

Done in duplicate and in identic terms in the two languages, Italian and Amharic. One copy remains in the hands of the Italian Government, and the other in the hands of the Ethiopian Government.

Given in the city of Adis Ababa, the 16th day of the month of May, 1908.

(Signed) GIUSEPPE COLLI DI FELIZZANO.

(Seal of Menelek.)

Additional Act.

His Majesty Victor Emmanuel, King of Italy, by means of his Representative in Adis Ababa, Cavaliere Giuseppe Colli di Felizzano, Captain of cavalry, and His Majesty Menelek II, King of Kings of Ethiopia, have agreed on the following Additional Act to the Convention of the 16th May, 1908, for the delimitation of the frontier between the Italian possessions in Somalia and the provinces of the Ethiopian Empire:—

SINGLE ARTICLE.

The Government of His Majesty the King of Italy shall, after approval has been given by the Italian Parliament, and ratification by His Majesty the King, of the present Additional Act, put at the disposition of His Majesty Menelek II, King of Kings of Ethiopia, the sum of 3,000,000 Italian lire.

The present Additional Act has been written in duplicate in each of the two languages, Italian and Amharic.

Given in the city of Adis Ababa, the 16th day of the month of May, of the year 1908.

(Signed) GIUSEPPE COLLI DI FELIZZANO.

(Seal of Menelek.)

Memorandum communicated to M. Cambon, July 2, 1908.

ON the 31st March last, Sir E. Grey had the honour to receive from the French Ambassador a Memorandum on the subject of the affairs of the Imperial Ethiopian Railway Company, in which it was stated that the Government of the Republic, having given their most careful consideration to the points raised by the International Ethiopian Trust and Construction Company, as set forth in the Memorandum handed to M. Cambon on the 21st February last, were unable to modify their views on the matter, and were compelled to adhere to their attitude in regard to the reservation under which the Ministerial authorization of the 1st March, 1906, had been given, maintaining at the same time that that reservation relieved them of all responsibility both in regard to the Imperial Ethiopian Railway Company and to any third parties. It was likewise asserted that the Railway Company was not justified in claiming privileged treatment, which had not been accorded to it by the Government of the Republic.

The Memorandum went on to say that in the view of the French Government the liquidation of the Railway Company followed the usual legal course, and that the intervention of the French Government had had for its sole motive the protection of all the creditors. It was therefore inaccurate to allege, as had been done by the Trust Company, that their security had been reduced to a fraction of its value by the action of the French Government in insisting on the sale of the Railway Company's assets under threat of forfeiture to a new Company at a price which the official liquidator considered totally inadequate.

Finally, the Memorandum declared that the proceedings of the Railway Company, and more especially its later operations with the Trust Company, had resulted in increasing indefinitely the liabilities of the Railway Company, and in bringing it to the verge of bankruptcy, and that such proceedings constituted a flagrant violation of the Agreement which bound the Railway Company to the French Government, and thereby exposed it to forfeiture.

Sir E. Grey informed the Trust Company of the contents of his Excellency's Memorandum above-mentioned, and he has now received a further communication from that Company to the following effect:—

The Trust Company observe that the Memorandum merely repeats the statement that the French Government adhere to their attitude in regard to the reservation under which the Ministerial authorization of the 1st March, 1906, was given, but makes no attempt to controvert the arguments adduced by the Company on this point and laid down in the Memorandum handed to M. Cambon on the 21st February last. The Trust Company certainly attached a definite weight ("valeur") to that reservation, and one which was justified by a reasonable construction of its wording, namely, that the French Government in sanctioning the issue of the bonds, disclaimed all responsibility either as regards the principle or interest of these bonds towards either the Railway Company, the Trust Company, or any third parties. At no time did this reservation appear to the Trust Company, who were assisting the Railway Company with the consent and at the request of the French Government, as an intimation that the Government of the Republic reserved to itself the right to place the Railway Company in a position which left it no alternative but to go into judicial liquidation six weeks before the date fixed by the French Government at which the securities assigned to the Trust Company became negotiable.

The Trust Company submits that it would not have been justified in supposing that the reservation could have such an interpretation. Moreover, the Trust Company have never laid claim to any privileged treatment at the hands of the French Government; all that they have asked is for just and equitable treatment of the interests represented by them, basing their request on their special relations with the Railway Company and the French Government.

With regard to the statement in M. Cambon's Memorandum that the intervention of the French Government in the liquidation of the Railway Company has been inaccurately represented in Sir E. Grey's Memorandum of the 21st February last, the Trust Company observe that their contention, to which exception is now taken, was based on official documents addressed by the Judicial Liquidator to the "Juge Commissaire." His Excellency, in the Memorandum under reply, remarks that the liquidation of the Railway Company followed the usual legal course. The Trust Company, however, understand that the usual procedure in France is for the Company

to be reconstructed on the proposal of the Judicial Liquidator, with the concurrence of the shareholders and the consent of the creditors. But M. Vacher, in his Report of the 14th November, 1907, states: "Dès l'origine, la solution d'un concordat pur et simple, la Compagnie étant chargée d'achever la ligne jusqu'à Addis Abeba et de l'exploiter, a été écartée par le Gouvernement."

The Trust Company reply to the contention that the proceedings of the Railway Company, and especially its last transactions with the Trust Company, increased its liabilities indefinitely, brought it to the verge of bankruptcy, and rendered it in addition guilty of a flagrant breach of the Agreement which bound the Railway Company to the French Government as follows:—

The proceedings of the Railway Company were specifically approved by the French Government up to the 1st March, 1906, and the transaction with the Trust Company in respect of the coupon due on the 1st June, 1906, was imposed on both Companies by the then Minister of the Colonies in France, M. Clémentel. The liability of the Railway Company to pay the coupons as they fell due was indisputable, and the latter transactions by which the Trust Company advanced sums to meet the coupons falling due on the 1st September and the 1st December, 1906, and the 1st March, 1907, constituted a transfer rather than an increase of liabilities. Moreover, the advances made by the Trust Company to the Railway Company actually averted the imminent bankruptcy of the latter Corporation.

Finally, there remains to be dealt with the allegation that the proceedings of the Company constituted a flagrant violation of the Agreement which bound the Railway Company to the French Government and exposed it to forfeiture.

The Trust Company only adopted those proceedings after obtaining the advice of several distinguished members of the French legal profession, whose opinion was that the Company were acting entirely within their rights. The loans were, moreover, *bonâ fide* loans for the legitimate purposes of the Railway Company at an exceptionally low rate of interest; during the period covered by the loans the Trust Company were in constant and close relations with Representatives of the French Government, with whom they were negotiating on the basis that the Ethiopian Railway Company was to continue to exist. The question of the Trust Company finding the money necessary to meet each coupon was discussed with Representatives of the French Government before the date when it fell due, and, in addition, two out of the three transactions (those affecting the payment of the coupons of the 1st September and the 1st December, 1906) took place before the publication of the Tripartite Agreement, and therefore before the Boards of either of the two Companies were aware of its terms. As it was clearly contemplated by Article 6 of that Agreement that the Ethiopian Railway Company might carry out the extension of the line to Adis Ababa, and the Directors of the Trust Company had been frequently given to understand that the French Government desired the Company to be maintained, they considered themselves justified in doing all in their power to that end, and therefore advanced the money necessary to meet the coupon of the 1st March, 1907.

Early in February, 1907, M. Klobukowski, before leaving on his special mission to Abyssinia as the Representative of the French Government, had several interviews with the representatives of the Trust Company, and stated that he was opposed to any proposals for putting the Railway Company into judicial liquidation, and that he was anxious for the Company to be maintained in existence during his negotiations with the Emperor Menelek.

On the 22nd February, 1907, the Earl of Chesterfield, Chairman of the Trust Company, had an interview in Paris with M. Klobukowski, in which his Excellency asked the Trust Company to provide the funds necessary to take up an issue of bonds which he was prepared to recommend the Government of the Republic to authorize the Railway Company to make in order that the latter Company might remain solvent.

Again, on the 28th February, 1907, the day before the March coupon fell due, an interview took place between M. Klobukowski and M. Guernaut, of the Ministry of Finance, on the one hand, and MM. Ochs and Acat, representing the Trust Company, on the other. At this interview it was stated by the Representatives of the French Government that, in order to allay the irritation of the French public at the presence of an English group in an enterprise which it was considered should be French, it was desirable that the Trust Company should cede its position to a French group and retire from the business. M. Ochs at once expressed his willingness to adopt this course, and explained the terms on which the Trust Company were prepared to make the cession. M. Guernaut on this occasion inquired whether the Trust Company would pay the coupon falling due on the following day, and, on receiving an affirmative reply,

said that the Government would wait. It was in these circumstances that the coupon of the 1st March was paid, and yet it is these very operations, carried out with the full knowledge of the French Government, which are now described in the Memorandum of the French Government under reply as constituting a "flagrant violation of the agreement which bound the Railway Company to the French Government and exposed it to forfeiture."

His Majesty's Government consider that the above facts, as set forth by the Trust Company, should be brought to the knowledge of the French Government, and they would add that, while any points of law involved are doubtless matters for decision in the ordinary way in the French Courts, yet, having regard to the intentions of the French Government and to the Trust Company's special position in the affairs of the Railway Company, as now evidenced by the account of the interviews between the Representatives of the French Government and the representatives of the Trust Company, His Majesty's Government are of opinion that the actions of this latter Company are placed in a much more favourable light, and they trust that the French Government will give the matter their most careful consideration with a view to arriving at a settlement satisfactory to all parties concerned.

Foreign Office, July 2, 1908.

[22979]

No. 175.

Sir F. Bertie to Sir Edward Grey.—(Received July 4.)

(No. 38. Africa.)

Sir,

Paris, July 2, 1908.

I HAVE the honour to transmit to you herewith copies of a Bill presented to Parliament authorizing the President of the Republic to ratify the Franco-Abyssinian Treaty of Friendship and Commerce signed on the 10th January last at Adis Ababa.

I have, &c.

(Signed) FRANCIS BERTIE.

Inclosure in No. 175.

Projet de Loi portant approbation du Traité d'Amitié et de Commerce, signé à Addis-Ababa, le 10 Janvier, 1908, entre la France et l'Éthiopie (renvoyé à la Commission des Affaires Extérieures, des Protectorats, et des Colonies), présenté, au nom de M. Armand Fallières, Président de la République Française, par M. S. Pichon, Ministre des Affaires Étrangères; par M. Aristide Briand, Garde des Sceaux, Ministre de la Justice et des Cultes; par M. Jean Cruppi, Ministre du Commerce et de l'Industrie; par M. J. Caillaux, Ministre des Finances; et par M. Milliès-Lacroix, Ministre des Colonies.

Exposé des Motifs.

Messieurs,

LES États-Unis, l'Allemagne, l'Autriche-Hongrie, l'Italie, la Belgique ayant dernièrement conclu des Conventions Commerciales avec l'Éthiopie, le Gouvernement de la République a estimé qu'il pourrait y avoir intérêt à reviser les Accords que nous avons précédemment signés avec Sa Majesté l'Empereur Ménélik, afin de les approprier aux nouvelles conditions devant résulter aussi bien du développement économique de l'Empire d'Éthiopie que de la continuation et du prochain achèvement du Chemin de Fer de Djibouti à Addis-Ababa.

En conséquence, des négociations ont été ouvertes avec le Négus dans le courant de l'année 1907 et, le 10 Janvier, 1908, a été signé à Addis-Ababa le Traité d'Amitié et de Commerce dont le texte est ci-annexé et que le Gouvernement a l'honneur de soumettre à l'approbation du Parlement.

L'accroissement des relations entre l'Europe et l'Éthiopie, ainsi que la reprise des travaux de la ligne ferrée qui doit relier notre Colonie de la Côte des Somalis à la capitale Abyssine auront comme conséquence logique une augmentation importante de l'affluence des Européens, et notamment des Français, dans l'Empire du Négus; il était par suite à prévoir que des différends pourraient surgir, soit entre Français, soit entre Français et Européens, soit entre Français et Éthiopiens, et il y avait un intérêt majeur à ce que nos compatriotes, au lieu de rester soumis, comme le sont jusqu'à

présent tous les étrangers, au régime judiciaire local trop éloigné de nos idées et de nos habitudes, pussent relever de la juridiction des Représentants de la France. Cette question, dont le règlement était vivement désiré par les Colonies Européennes et par nos nationaux, a été l'un des principaux objets des négociations ouvertes à Addis-Ababa et a reçu, grâce au haut esprit d'équité du Souverain Éthiopien, une solution conforme à nos désirs; le principe de la juridiction Consulaire est inscrit dans notre nouvelle Convention avec le Négus et un projet de Loi, soumis au Parlement en même temps que la Convention, a pour but de régler le fonctionnement de cette juridiction.

D'autre part, la taxation des marchandises importées, opérée jusqu'à présent de façon assez arbitraire, se fera dorénavant d'après une règle précise, le prix des marchandises à leur lieu de destination devant servir de base à la perception des droits de douane.

Enfin, d'après le nouveau Traité, qui renferme à notre profit la clause de la nation la plus favorisée et qui nous assure en conséquence le bénéfice des avantages qui pourraient être ultérieurement concédés à d'autres contractants, nos vins de Champagne, nos bières, et nos boissons non alcoolisées acquitteront à leur entrée sur le territoire Éthiopien un droit de 8 pour cent au lieu du droit de 10 pour cent perçu à l'importation de toutes les marchandises étrangères.

Le Gouvernement a confiance que, dans ces conditions, vous voudrez bien donner votre approbation à l'Arrangement qui vous est soumis.

Quant aux produits originaires de l'Éthiopie et importés en France, le Gouvernement, en vertu de l'autorisation qui lui a été donnée par la Loi du 22 Février, 1902, a conféré provisoirement, par un Décret en date du même jour, le bénéfice du tarif minimum aux denrées coloniales de consommation provenant de l'Éthiopie; et ce régime est applicable à cet État aussi longtemps qu'il nous appliquera le traitement de la nation la plus favorisée.

Projet de Loi.

Le Président de la République Française

Décète:

Le projet de Loi dont la teneur suit sera présenté à la Chambre des Députés par le Ministre des Affaires Étrangères, par le Garde des Sceaux, Ministre de la Justice et des Cultes, par le Ministre du Commerce et de l'Industrie, par le Ministre des Finances, et par le Ministre des Colonies, qui sont chargés d'en exposer les motifs et d'en soutenir la discussion:

Article unique.—Le Président de la République Française est autorisé à ratifier et, s'il y a lieu, à faire exécuter le Traité d'Amitié et de Commerce signé à Addis-Ababa le 10 Janvier, 1908, entre la France et l'Éthiopie.

Une copie authentique de ce Traité sera annexée à la présente Loi.

Fait à Paris, le 22 Juin, 1908.

(Signé)

A. FALLIÈRES.

Par le Président de la République:

Le Ministre des Affaires Étrangères,
(Signé) S. PICHON.

Le Garde des Sceaux, Ministre de la
Justice et des Cultes,
(Signé) ARISTIDE BRIAND.

Le Ministre du Commerce et de l'Industrie,
(Signé) JEAN CRUPPI.

Le Ministre des Finances,
(Signé) J. CAILLAUX.

Le Ministre des Colonies,
(Signé) MILLIÈS-LACROIX.

[1557]

Traité d'Amitié et de Commerce entre la France et l'Éthiopie.

Le Gouvernement de la République Française et Sa Majesté Ménélik II, voulant se donner une nouvelle preuve de l'amitié qui les unit et faciliter les relations commerciales, existant d'ancienne date, entre les ressortissants des deux États, sont convenus de conclure un Traité qui devra les lier eux-mêmes et leurs successeurs.

En conséquence, le Gouvernement de la République Française, représenté par M. Antony Klobukowski, Ministre Plénipotentiaire de la République, en mission spéciale, Officier de l'Ordre National de la Légion d'Honneur, Grand-Croix de l'Ordre Impérial de l'Etoile d'Éthiopie, et dont les pouvoirs ont été trouvés en bonne et due forme ;

Et Sa Majesté l'Empereur Ménélik II, agissant en son propre nom, comme Roi des Rois d'Éthiopie, sont tombés d'accord sur les dispositions suivantes :—

ARTICLE 1^{er}.

Le Gouvernement Éthiopien facilitera, dans la mesure de son pouvoir, à tous les négociants de l'Empire, les moyens de prendre la route du port de Djibouti. Les deux Gouvernements Contractants prendront les mesures utiles pour que les négociants soient préservés de tout dommage sur la route.

ARTICLE 2.

Les ressortissants et les protégés des deux États jouiront de la pleine liberté de pénétrer sur toute l'étendue du territoire de l'autre État, d'y circuler, d'y séjourner, d'y posséder suivant les usages du pays et de s'y livrer au commerce, à l'industrie, et à l'agriculture en toute sécurité pour leur personne et leurs biens.

Cette liberté ne pourra être entravée par aucune monopole ou privilège exclusif de vente ou d'achat, réserve faite pour les monopoles d'État déjà existants et ceux que le Gouvernement Éthiopien voudrait établir en conformité du régime en vigueur en France.

ARTICLE 3.

Les marchandises Françaises importées dans l'Empire Éthiopien sont frappées d'un droit de 10 pour cent sur leur valeur marchande au lieu de leur destination.

Toutefois les vins, champagnes, bières, et les boissons non alcooliques ne payeront que 8 pour cent.

Lorsque l'état du mouvement commercial en Éthiopie le permettra, sans qu'il puisse en résulter une perte pour le Trésor Impérial, l'établissement de la valeur marchande sera déterminé par la déclaration en douane, du prix au lieu d'origine ou de fabrication augmenté des frais de transport, d'assurance, et de commission nécessaires pour l'importation, jusqu'au lieu d'introduction.

ARTICLE 4.

Le Gouvernement Éthiopien s'engage à faire bénéficier les ressortissants et protégés Français de tous les droits, avantages, et privilèges qu'il a pu accorder ou qu'il accordera dans l'avenir aux ressortissants et protégés d'une tierce Puissance et notamment en ce qui concerne les douanes, les impôts intérieurs, et la juridiction.

ARTICLE 5.

Le transit des armes et des munitions destinées au Gouvernement Éthiopien est autorisé sur l'étendue des territoires dépendant du Gouvernement de la République, dans les conditions prescrites par l'Acte Général de Bruxelles, en date du 2 Juillet, 1890.

Il est entendu que les marchandises destinées au Gouvernement de l'État Éthiopien peuvent, sur une déclaration officielle de Sa Majesté l'Empereur, pénétrer en Éthiopie, en franchise de droits, par les ports de la côte Française des Somalis.

ARTICLE 6.

Les ressortissants et protégés du Gouvernement de la République Française sont autorisés à se servir des télégraphes, des postes, et de tous autres moyens de com-

munication et de transport existant déjà ou à créer dans l'Empire Éthiopien, aux mêmes conditions et aux mêmes taxes que les sujets de l'Empereur ou les ressortissants de la Puissance la plus favorisée.

ARTICLE 7.

Toutes les affaires de quelque nature qu'elles soient, criminelles ou autres, entre les ressortissants ou protégés Français, relèveront désormais de la juridiction Française, jusqu'à ce que la législation de l'Empire d'Éthiopie soit en concordance avec les législations d'Europe.

Toutes les affaires de quelque nature qu'elles soient, criminelles ou autres, entre les ressortissants et les protégés Français et les sujets de l'Empereur, seront portées devant un Magistrat Abyssin siégeant dans un local spécial et qui jugera, assisté du Consul de France ou de son délégué.

Si le sujet Abyssin est défendeur, il sera jugé suivant la loi Éthiopienne.

Si le ressortissant ou protégé Français est défendeur, il sera jugé suivant la loi Française.

En cas de désaccord entre les Juges, il sera statué en dernier ressort par le Tribunal de Sa Majesté le Roi des Rois d'Éthiopie.

En cas de crimes ou délits commis par les ressortissants ou protégés Français, l'autorité territoriale usera de son droit de police pour la recherche et l'arrestation des coupables, à charge par elle d'en informer immédiatement le Consul de France et de les remettre entre ses mains.

ARTICLE 8.

Chacune des deux Parties Contractantes accordera à l'autre le traitement de la nation la plus favorisée en ce qui concerne l'établissement de Représentants accrédités en France et en Abyssinie.

ARTICLE 9.

Sont abrogées toutes les clauses d'Actes ou de Conventions antérieures qui seraient contraires au présent Traité.

Le présent Traité entrera en vigueur un mois après que sa ratification par le Gouvernement de la République Française aura été notifiée à Sa Majesté l'Empereur d'Éthiopie.

Il subsistera pendant dix ans après sa mise en vigueur ; cette période expirée, le Traité subsistera tant qu'une des Parties Contractantes n'aura pas fait connaître son intention d'y mettre fin.

La dénonciation ne produira effet qu'un an après le moment où elle aura été notifiée.

En foi de quoi Sa Majesté Ménélik II, Roi des Rois d'Éthiopie, au nom de son Empire, et M. Antony Klobukowski, Ministre Plénipotentiaire de la République Française, en mission spéciale, ont signé le présent Traité en deux exemplaires entièrement conformes en langue Française et Amharique, restant aux mains, l'un du Gouvernement Éthiopien et l'autre du Gouvernement de la République Française, et y ont apposé leur sceau.

Fait à Addis-Ababa, le 10 Janvier, 1908 (premier jour de l'an de grâce 1900).

(L.S.) (Signé) A. KLOBUKOWSKI.
(L.S.) (Signé) MÉNÉLIK.

No. 176.

[22190]

Sir Edward Grey to the Marquis di San Giuliano.

Foreign Office, July 4, 1908.

Your Excellency,

I HAVE the honour to acknowledge the receipt of your Excellency's note of the 25th ultimo, in which you inquire as to the reply which His Majesty's Government propose to return to the Emperor Menelek in regard to His Majesty's designation of Lig Jasu as heir to the Throne of Ethiopia.

I have the honour to inform your Excellency that, in the opinion of His Majesty's Government, King Menelek's choice of an heir would appear to be suitable, and I have

144

the honour at the same time to propose that the three limitrophe Powers shall formally acknowledge His Majesty's notification.

In the event of your Excellency's Government agreeing to the adoption of this course a similar proposal will be submitted to the French Government.

I have, &c.
(Signed) E. GREY.

[23248]

No. 177.

Sir J. Harrington to Sir Edward Grey.—(Received July 6.)

(No. 22.)

Sir,

Adis Abeba, June 13, 1908.

I HAVE the honour to acknowledge receipt of your despatch No. 45 of the 15th May last and inclosures, relative to the admission of Abyssinia to the Universal Postal Union, through the good offices of the French Government, and to submit the following observations.

The only information I possess on the subject is from my Italian colleague, who, since my return here, informed me of the action taken by M. Klobukowski, which is as set forth in Signor Tittoni's reply to the French Ambassador at Rome.

The present French Minister has neither mentioned to me this question nor any other question which is of common interest to the three Powers signatory to the Treaty of the 13th December, 1906.

The admission of Abyssinia to the Universal Postal Union in the present state of the country would be premature, and would only mean a postal service to Dire-dawa, Harrar, and Adis Abeba under French control, which exists at present over the so-called Ethiopian posts and telegraphs in the person of M. Roque, of the French Post Office, specially lent to the Emperor by the French Government.

The Abyssinian Government have so little sense of responsibility that to allow them admission to the Universal Postal Union under existing circumstances would be an unwise proceeding, unless tangible guarantees other than mere promises are given for the security of postal correspondence.

I have, &c.
(Signed) J. HARRINGTON.

[23249]

No. 178.

Sir J. Harrington to Sir Edward Grey.—(Received July 6.)

(No. 23.)

Sir,

Adis Ababa, June 13, 1908.

I HAVE the honour to acknowledge receipt of your despatch No. 44 of the 14th ultimo, and inclosures, relative to the new Concession for the prolongation of the Jibuti Railway from Dire-dawa to Adis Ababa.

The reasons which led me to express the view put forward by the Italian Government to the effect that all internal taxes were abolished by Article 3 of the Italo-Abyssinian Treaty of July 1906, were the statements of my Italian colleague, who informed me that such was the signification of the said Article.

On examination of Article 3 of the Treaty, it is, however, difficult to reconcile it with the interpretation placed on it by the Italian Government.

I have, &c.
(Signed) J. L. HARRINGTON.

[23347]

No. 179.

International Ethiopian Railway Trust and Construction Company to Sir Edward Grey.—(Received July 6.)

Sir,

34, Clement's Lane, London, July 3, 1908.

IN a letter which we had the honour to address to you on the 26th June, 1907, we requested you to be so good as to make representations to the Abyssinian Government with a view to the protection of the rights and properties we had acquired in

145

Abyssinian territory as the result of certain transactions between the Trust Company and the Ethiopian Railway Company.

On the 26th September you informed us that His Majesty's Government were unable to take action on our behalf, otherwise than by representing the facts unofficially to the French Government.

As you were, at the date of the letter of the 26th September, making representations on our behalf to the French Government with the object of securing a just and equitable settlement of all our claims in connection with the Ethiopian Railway Company, we refrained from further pressing our request for your intervention with the Emperor Menelek.

But the unfavourable response which the French Government has up to the present made to the repeated representations which you have been good enough to make on behalf of the interests we represent leave us, we regret to say, no alternative but to renew our request that you will make direct representations to the Abyssinian Government to secure the recognition of our rights as mortgagees of the railway station at Dire Daoua and of the 80 kilom. of the railway of which we were in possession when ejected by the Abyssinian authorities.

As you are aware, we were advised by the distinguished French advocates whom we consulted that the Ethiopian Railway Company was within its rights in granting, and we were within our rights in accepting, the mortgage on the station and line under which we took possession of the mortgaged properties; but, in view of the renewed application which we felt it our duty to address to you, we thought it desirable to obtain the opinion of English counsel, and we accordingly submitted a case for his opinion to Mr. J. W. McCarthy, of the Middle Temple.

We inclose herewith, for your information, copy of the Case to Advise submitted to Mr. McCarthy and of his Opinion dated the 24th June, and we hold at your disposition copies of the documents accompanying the case should you desire to see them. Many of the documents have, however, already been communicated to you. The facts are so fully set out in the case that we do not think it necessary to recapitulate them in the present communication; but we would direct your attention to the fact that Mr. McCarthy confirms the opinions of our French legal advisers that "Article 5, paragraph 8, of the Convention of 1902 did not operate either in law or good faith to prevent the Railway Company from giving, and the Trust Company from taking, a mortgage or charge on that part of the line which is in Abyssinian territory." Mr McCarthy is also of opinion that we were entitled to take possession of the line, and he further observes: "I can find nothing in any of the documents to justify the suggestion that, as a matter of right, a Decree or Order of the Ruler of Abyssinia should have first been obtained; and in any case, even if the taking over of the railway was premature, or done in a wrong way or without certain formalities, there can be no justification for saying that the security on which the Trust Company advanced large sums of money is thereby totally destroyed."

We submit, with great respect, that it is obvious that it is only from the Emperor Menelek that we can obtain redress, and that the only means by which that redress can be obtained is by representations addressed by the British Minister to the Emperor. We therefore respectfully renew our request that such representations may be addressed to the Abyssinian Government, and that the Emperor Menelek may be requested either to reinstate the Trust Company in possession of the mortgaged property from which they were ejected, or to insist that the large sums advanced by the Trust Company to the Railway Company shall be repaid to the Trust Company with interest to the date of payment.

We have, &c.
(Signed) OCHS BROTHERS,
Managing Directors.

Inclosure in No. 179.

Case to Advise submitted to Mr. McCarthy.

Counsel is requested to advise the International Ethiopian Railway Trust and Construction Company (Limited).

COUNSEL is already fully acquainted with the relations between the Trust Company and the Ethiopian Railway Company, and, up to a certain point, with the commu-
[1557] 2 P

nications which have taken place between the Trust Company and the Foreign Office, with the object of obtaining from the French Government just and equitable treatment of the British commercial interests in the Ethiopian Railway Company which are represented by the Trust Company. To put counsel fully in possession of the latest phases of the representations which have been made by the Foreign Office to the French Government, there are sent herewith copies of the following letters :—

1. Letter from the Trust Company to the Foreign Office, dated the 12th February, 1908.
2. Letter from the Trust Company to the Foreign Office, dated the 30th April, 1908.
3. Letter from the Foreign Office to the Trust Company, dated the 30th April, 1908.
4. Letter from the Trust Company to the Foreign Office, dated the 27th May, 1908.

To the last-named letter no reply has yet been received, but in view of the unfavourable nature of the replies made by the French Government to previous representations, the Trust Company is contemplating addressing the Foreign Office with a view to asking the assistance of His Majesty's Government with the Emperor Menelek in connection with the mortgages which were given by the Railway Company to the Trust Company on the station at Dire Daoua and on 80 kilom. of the line in Abyssinian territory.

Counsel is already generally acquainted with the circumstances in which these mortgages were granted, and with the subsequent course of events, but in order to make quite clear the point on which counsel's opinion is asked, it is necessary to state certain facts and to refer to certain documents sent herewith. These documents are—

5. Copy of the Convention of February 1902 between the Railway Company and the French Somaliland Protectorate, subsequently approved by the French Government.
6. Copy of the Statutes of the Railway Company as amended in accordance with Article 5 of the Convention of 1902.
7. Copy of letter from the French Minister for the Colonies to the President of the Ethiopian Railway Company, dated the 1st March, 1906, together with copy of the Agreement of the 21st February, 1906, between the Railway Company and the Trust Company.
8. Copy of letter from the Ethiopian Railway Company to the Minister for the Colonies, dated the 2nd August, 1906.
9. Copy of reply to No. 8 from the Minister for the Colonies, dated the 23rd August, 1906.
10. Copies of the Agreements between the Railway Company and the Trust Company, dated the 31st August, 29th November, and 29th December, 1906, and 28th February, 1907, by which the Trust Company advanced 1,093,000 fr. to the Railway Company, and took certain securities, including a mortgage on the station at Dire Daoua, and 80 kilom. of the line in Abyssinian territory.
11. Copy of the authorization, dated the 16th February, 1907, given by Mr. Duros, Vice-President of the Railway Company, to the local agent of that Company, authorizing him to give possession of the mortgaged property to the local representative of the Trust Company.
12. Copy of the *procès-verbaux*, dated the 11th March, 1907, drawn up by the local representatives of the Railway Company and of the Trust Company on the taking possession by the Trust Company of the mortgaged property.

From the perusal of these documents it will be seen that the position of affairs was briefly as follows :—

The Railway Company had applied (see document No. 8) to the French Government for authority to make a further issue of bonds to meet the coupon falling due on the 1st September, and to meet its current expenditure. This authorization the Minister for the Colonies refused by his letter of the 23rd August (document No. 9), in which the Railway Company was informed that it might obtain, "par tout autre moyen régulier," the funds of which it stood in need. In these circumstances the Railway Company and the Trust Company consulted their French legal advisers

as to the security which the Railway Company could give and the Trust Company accept for a loan to cover the coupon and the further sum required for current expenditure.

Both Companies were advised that it was within the competency of the Railway Company to mortgage any of its property situated in Abyssinian territory, and therefore not within the jurisdiction of the French Government, and it was in accordance with this advice that the transactions embodied in the documents No. 10 were carried out.

Before the coupon of the 1st June, 1907, fell due the Railway Company made a further application to the Trust Company for a loan to meet that coupon, but in view of the fact that on the 27th March the French Government had addressed a *mise en demeure* to the Railway Company, calling in question the legality of the above transactions with the Trust Company, and menacing the Railway Company with *déchéance*, the Trust Company did not deem it prudent to make any further advances to the Railway Company. Accordingly on the 1st June the Railway Company deposited its balance-sheet and went into judicial liquidation, whereupon instructions were telegraphed to the Trust Company's agent in Abyssinia to enter into possession of the mortgaged properties in Abyssinian territory. A formal seizure of the station at Dire Daoua was effected, and the Company's agent entered into possession, though in such a way as not to interfere with the effective working of the line. The seizure of the station at Dire Daoua was reported to the Emperor Menelek, who gave instructions for the Trust Company's representatives to be ejected, and this was done. The Trust Company was thus deprived of the principal security on which it had advanced large sums to the Railway Company.

A request was made to the Foreign Office by the Trust Company that representations might be made to the Abyssinian Government to protect the Trust Company in the enjoyment of its rights. The Foreign Office brought the facts unofficially to the notice of the French Government, but did not deem it advisable at that time to make any representations to the Emperor Menelek. It is understood that the view of the Foreign Office was that any such representations might prejudice the appeal for an equitable settlement of the whole claims of the Trust Company which the Foreign Office was then about to make to the French Government. In these circumstances the Trust Company while directing the attention of the Secretary of State to the fact that the immediate object of their application was not to ask for the assistance of His Majesty's Government in enforcing in France the contracts referred to, but in securing their recognition in Abyssinia in so far as they related to property situated within the jurisdiction of the Abyssinian Government, did not continue to press the matter on the attention of the Foreign Office.

Now, however, it appears to the Trust Company's advisers that the situation is changed, and that the unfavourable reception given by the French Government to the proposals for an equitable settlement of the Trust Company's claims justifies the Trust Company in again approaching His Majesty's Government with a view to obtaining the assistance of the Foreign Office by direct representations to the Emperor Menelek.

It is submitted that there can be no question on the grounds of equity as to the validity of the Trust Company's claims to possession of the station at Dire Daoua and of the 80 kilom. of railway in accordance with the terms of the contracts, but two legal questions have been raised, and it is on these two questions that counsel is asked to advise the Trust Company. These questions may be stated as follows :—

1. Was the Railway Company competent to mortgage its property in Abyssinian territory without the consent of the French Government?
2. Was the Trust Company entitled to take possession of the mortgaged property without the previous authorization and consent of the Emperor Menelek?

As to the first question, the contention of the French Government appears to be that the Railway Company was acting contrary to the stipulations of paragraph 8 of Article 5 of the Convention of February 1902. On reference to Article 5 it will be seen that this Article imposes on the Railway Company the obligation of modifying its Statutes within a certain limited period. Those modifications were duly made, and Article 23 of the Statutes sets out the powers of the "Conseil d'Administration." Those powers are stated to be subject to the stipulations in the Convention of February 1902, but it will be seen that, subject to those stipulations, the "Conseil" had the fullest powers of effecting mortgages. It thus becomes necessary to inquire,

What are the stipulations contained in the Convention of February 1902? Paragraph 8 is as follows:—

"La cession temporaire ou définitive de toute ou partie des lignes concédées à la Compagnie entre Djibouti et le cours de l'Aouach, avec ou sans les charges et avantages qui sont attachés à cette Concession, soit par voie de vente, de fusion, d'apport, de location, d'affermage, soit par tout autre moyen, ne pourra, sous la réserve stipulée à l'Article 18 ci-après, être effectués qu'après approbation préalable des Ministres des Colonies et des Affaires Étrangères, sur l'avis du Ministre des Finances. Cette interdiction s'appliquera même après la dissolution de la Compagnie."

It will be observed that the stipulations contained in this paragraph are themselves made subject to the reserve stipulated in Article 18 of the Convention, which is in the following terms:—

"Il est entendu que les stipulations qui font l'objet des Articles 5, paragraphe 8; 6, paragraphe 2; 9, paragraphe 3; 14, paragraphe 2; 15, paragraphe 1, et 16, paragraphe 3, seront applicables sous réserve d'entente entre le Gouvernement Français et le Gouvernement Éthiopien pour les parties de ligne situées en dehors du territoire Français."

No such *entente* as contemplated in Article 18 between the French and Ethiopian Governments has been come to; in fact, the Emperor Menelek has declined to give his consent to those Articles of the Convention set out in Article 18 which affected Abyssinian territory, and it was in view of this fact that the Trust Company's legal advisers advised that paragraph 8 of Article 5 had no application to the Company's property situated in Abyssinian territory, which was therefore not within the jurisdiction of the French Government.

Counsel is now asked to advise the Trust Company whether this contention is well-founded, or whether, as appears to be the contention of the French Government, the Railway Company was, notwithstanding the absence of the Agreement between the French and Ethiopian Governments contemplated in Article 18, deprived of the right which it would otherwise have of mortgaging its property in Abyssinian territory without the consent of the French Government.

As to the second question, counsel is reminded that Abyssinia is a country in which the Emperor is autocratic ruler, and that, while the practice of giving a mortgage as security for a loan appears to be well established, there is not, so far as is known, any system of registration of mortgages such as exists in many civilized countries, and no recognized legal procedure which must be followed as a preliminary to entering into possession of the mortgaged property. In the present case it has been suggested that the consent of the Emperor should have been obtained before the Trust Company, by its agent, took possession of the property comprised in its mortgage, and that, such authorization not having been obtained, the Emperor was strictly within his rights in ejecting the agents of the Company from the railway station.

Should counsel be of the opinion that the Trust Company was technically in error in taking possession of the mortgaged property without the previous consent of the Emperor Menelek, counsel is asked to advise whether, in his opinion, a technical error of this description should deprive the Trust Company of its rights under the contracts.

And counsel is further asked to advise as to what steps the Trust Company should take to regularize its position with the Emperor Menelek, and generally.

Opinion of Mr. McCarthy.

I have read and carefully considered the whole of the documents accompanying the instructions, and particularly the recent correspondence between the Managing Directors of the Trust Company and the Foreign Office.

1. An English lawyer must speak with diffidence as to the interpretation of a French legal document, but the language of Article 5, paragraph 8, of the Convention of February 1902, and of Article 18, appears quite clear. Sundry provisions of the Convention are not to be in force until the French and Abyssinian Governments have arrived at an agreement in regard to those parts of the railway which are outside French territory. In other words, this agreement of the two Governments is a con-

dition precedent to the disability imposed by paragraph 8 on the Railway Company, and so long as there is no such agreement there is no disability, and the Railway Company retains the ordinary and natural right of all owners of property to mortgage or transfer, or otherwise deal with the same. This seems to me to be the plain meaning of the two provisions. It is also consonant with the circumstances of the case, because, as the French Government can have no right over Abyssinian territory in the absence of an agreement with the ruler of that country, it could not prevent owners of property in Abyssinia from dealing with it until some such agreement has been made. Hence I think Article 5, paragraph 8, of the Convention of 1902 did not operate either in law or good faith to prevent the Railway Company from giving, and the Trust Company from taking, a mortgage or charge on that part of the line which is in Abyssinian territory.

2. As to the right of the Trust Company to take possession of the line, it is vital to this question to bear in mind that this step was taken with the consent of the representatives of the Railway Company. This is clear from the two documents of the 16th February, 1907 (No. 11 in papers accompanying the instructions), and the *procès-verbal* of the 11th March, 1907 (No. 12). No doubt it is usual for a mortgagee to foreclose by some process of law; but this is only for the protection of the mortgagor, and I know of no reason why the mortgagor should not transfer the mortgaged property to his creditor without any order or decree of a Court of Justice, or why such transfer should not be valid and effectual as against all the world. The transaction satisfies all the requirements of civilized jurisprudence. We have the consideration in the loan, the contract to repay, the provision for the transfer of the security in case of failure to repay, and, finally, that transfer by mutual agreement, with the careful and elaborate precautions taken in the present case and recorded in documents Nos. 11 and 12. Under ordinary circumstances there is no difference whatever in principle between the mortgage of a railway and the mortgage of a house. It is possible that under the circumstances of the present case it might have been prudent for both parties, or for the Trust Company, to have first explained the transaction and obtained the consent of the Ruler of Abyssinia; but this a matter of tactics and procedure which must be left to those acquainted with that country and the character of its Ruler to decide. But there can be no doubt that any civilized and impartial Tribunal in the world would hold that the Trust Company was validly in possession of the station and its appurtenances on and after the 16th March, 1907; and the forcible ejection of the Trust Company's representative by the Abyssinian authorities was simply an act of arbitrary force without any equitable or legal justification. The position, as I regard it, is clearly expressed in the letter of the 9th September, 1907, from Messrs. Ochs Brothers to Sir Edward Grey (see last paragraph on p. 84 of correspondence sent with instructions). I can find nothing in any of the documents to justify the suggestion that, as a matter of right, a Decree or Order of the Ruler of Abyssinia should have first been obtained; and in any case, even if the taking over of the railway was premature, or done in a wrong way or without certain formalities, there can be no justification for saying that the security on which the Trust Company advanced large sums of money is thereby totally destroyed.

3. It seems to me that, under the circumstances, the only course now open to the Trust Company is to ask the Foreign Office to assist in putting matters right with the Emperor Menelek, and removing the umbrage which seems to have been caused to that potentate by the taking over of its security by the Trust Company. I think that it may be fairly pointed out to him that this transaction was purely one of agreement between borrower and lender, which involved no infringements of his rights, or indeed of the rights of any one else. I fear the Trust Company must now revert to the position which it took up in its letter of the 9th September, 1907, to Sir Edward Grey, to which I have already referred. A perusal of the correspondence leaves the impression that it is quite hopeless for the Trust Company to expect justice or fair treatment from the French authorities, and that there is nothing left to them but to look to their security and rights in Abyssinia, and to ask the Foreign Office to assist them in this quarter. The Emperor Menelek will probably be more amenable to the arguments and representations of Sir Edward Grey than the Government of the French Republic has been.

(Signed)

J. W. MCCARTHY.

Temple, June 24, 1908.

[23332]

No. 180.

Colonial Office to Foreign Office.—(Received July 6.)

Sir,

Downing Street, July 4, 1908.

I AM directed by the Earl of Crewe to acknowledge the receipt of your letter of the 19th June, stating that the Soudan Government have offered the services of an officer to assist in demarcating the frontier between the Anglo-Egyptian Soudan and Abyssinia from parallel 6° N. to the Akobo.

2. I am to request you to inform Secretary Sir Edward Grey that the Commission engaged on the demarcation of the boundary between the East Africa Protectorate and Abyssinia have already been instructed to carry out the delimitation of this small gap in the boundary between Abyssinia and the Soudan, which is only 60 miles long; and I am to suggest that the Soudan Government, instead of sending an officer whose services are really not required, should agree to pay a share of the cost of the Commission proportioned to the comparative lengths of the two boundaries. The whole length of boundary which has to be delimited is about 600 miles, so that the share of the Soudan Government would only be about one-tenth of the total cost, which is estimated at 8,000l.

I am, &c.
(Signed) H. W. JUST.

[23478]

No. 181.

Sir R. Wingate to Foreign Office.—(Received July 7.)

My dear Tyrrell,

19, Bryanston Square, July 6, 1908.

SOME time ago a question was raised as to the Soudan Government sending a Delegate to meet the Anglo-Abyssinian Boundary Commission, when it was occupied in finishing up the delimitation proposals north of Lake Rudolph, to connect up with the Soudan-Abyssinian Delimitation Commission work. I replied that I was prepared to send a Delegate on behalf of the Soudan Government, provided that no further expenses than those connected with the actual Delegate in question were involved. Since writing this I have had a letter from the Director of the Soudan Survey Department, who was absent when I last wrote, and whose opinion I wished to have, and he now writes to me to say that, in his opinion, it will be quite sufficient if Major Gwynn, who is a member of the present Boundary Commission, would act on behalf of the Soudan Government in connection with any further Soudan-Abyssinian boundary delimitation which may take place. As you will no doubt remember, Major Gwynn was for many years one of my survey officers under the Soudan Government, and was in charge of the Delimitation Commission which settled all the northern frontiers between Abyssinia and the Soudan. He is thoroughly acquainted with all the local conditions and circumstances, and I would have entire confidence in any decisions or arrangements which he might make on behalf of the Soudan Government. May I ask you, therefore, to be good enough to communicate these my views to the section of the Foreign Office charged with this work? It would suit me better not to send a special Soudan Delegate, as the few qualified surveyors I have are very fully occupied in carrying out important surveys in other parts of the Soudan.

Believe me, &c.
(Signed) R. WINGATE.

[23823]

No. 182.

The Marquis di San Giuliano to Sir Edward Grey.—(Received July 10.)

(Translation.)

Your Excellency,

Italian Embassy, July 9, 1908.

IN answer to your Excellency's note of the 4th instant, I have the honour to inform you that the Italian Government adhere to the proposal to take formal act of the notification made by Menelek of his choice of an heir.

The Italian Government have learned at the same time that the French Government have already instructed their Representative at Adis Ababa by telegraph to

acknowledge receipt to the Negus and to thank him for the above-mentioned communication.

In informing your Excellency of the above, I request that your Excellency will let me know what the British Government have agreed on with the French Government in the matter.

I have, &c.
(Signed) A. DI SAN GIULIANO.

[24242]

No. 183.

India Office to Foreign Office.—(Received July 13.)

THE Under-Secretary of State for India presents his compliments to the Under-Secretary of State for Foreign Affairs, and, by direction of Viscount Morley, forwards herewith, for the information of the Secretary of State, copy of inclosure in a letter from the Foreign Secretary to the Government of India dated the 18th June, relative to Amir Abdulla Ali Sadik of Abyssinia.

Copy has been sent to the Colonial Office.

India Office, July 11, 1908.

Inclosure in No. 183.

Extract from the Weekly News Letter of the Political Resident, Aden, dated May 30, 1908.

M. GEROLIMATO, British Vice-Consul at Harrar, who arrived here a week ago, informed me that there is no likelihood of Amir Abdulla Ali Sadik leaving Abyssinia, as the Emperor Menelek will not permit him to do so.

[24383]

No. 184.

M. Carlin to Sir Edward Grey.—(Received July 14.)

*Légation de Suisse, Londres,
le 13 Juillet, 1908.*

M. le Secrétaire d'État,

PAR note du 25 Juin dernier, l'Ambassade de la République Française en Suisse a remis au Conseil Fédéral, en original et en traduction, une lettre par laquelle Sa Majesté l'Empereur Ménélik demande, entre autres, l'admission de l'Éthiopie dans l'Union Postale Universelle. Cette demande comporte l'adhésion de ce pays à la Convention Postale Universelle.

En application de l'Article 24, § 2, de la Convention précitée, j'ai, sur l'ordre de mon Gouvernement, l'honneur de notifier cette adhésion à votre Excellence, par la présente, à laquelle sont jointes une copie textuelle de la dite note de l'Ambassade de France, ainsi que des pièces qui l'accompagnaient, à savoir :—

1. La traduction Française de la demande originale de Sa Majesté l'Empereur Ménélik du 17 Février, 1908.
2. La déclaration faite au Congrès Postal de Rome par le Commandeur Agnese pour l'Empereur d'Éthiopie.

J'ajoute que le Conseil Fédéral est encore en correspondance avec l'Ambassade de France à Berne au sujet de la date à partir de laquelle l'adhésion est valable, du montant de la dotation du Gouvernement Éthiopien aux frais du Bureau International de l'Union Postale Universelle et des équivalents de taxes à fixer pour ce pays. Dès que mon Gouvernement sera renseigné sur ces trois points, des communications ultérieures seront adressées aux États Signataires de la Convention dont il s'agit.

En vous demandant de vouloir bien consentir à me donner acte de cette notification, je vous prie, &c.

(Signé) CARLIN.

Inclosure 1 in No. 184.

*M. Bonnardet to M. Brenner.**Ambassade de la République Française en Suisse,
Berne, le 25 Juin, 1908.*

M. le Président,

J'AI l'honneur de faire savoir à votre Excellence que les Gouvernements de Grande-Bretagne, de France, et d'Italie s'étant mis d'accord pour appuyer conjointement auprès du Conseil Fédéral la demande formulée par l'Éthiopie en vue d'être admise dans l'Union Postale Universelle, il n'y a plus d'obstacle à ce que le Gouvernement laisse poursuivre l'examen de cette requête.

J'ai, en conséquence, l'honneur de vous retourner sous ce pli:—

1. La demande originale de l'Empereur Ménélik du 17 Février, 1908.
2. La traduction Française de cette demande.
3. La Déclaration faite au Congrès Postal de Rome par le Commandeur Agnese pour l'Empereur d'Éthiopie.

Veuillez, &c.
(Signé) L. BONNARDET.

Inclosure 2 in No. 184.

King Menelik to M. Bonnardet.

(Traduction.)

(L.S.)

Le Lion Vainqueur de la Tribu de Juda, Ménélik II, élu du Seigneur, Roi des Rois d'Éthiopie, à M. le Directeur-Général de l'Office International de Berne, Salut !

PAR l'entremise de M. le Ministre de France, nous vous adressons la présente demande par laquelle nous déclarons vouloir adopter pour le service des postes, des télégraphes, et des téléphones de notre Empire d'Éthiopie, la réglementation acceptée par les Gouvernements des pays d'Europe, et à laquelle nous vous serions obligés de faire droit.

Le Gouvernement Français a bien voulu, à titre amical, mettre à notre disposition, pendant le temps nécessaire, le Directeur des Postes et Télégraphes de Djibouti, M. Roque, à l'effet de procéder à la réorganisation de notre service postal, télégraphique, et téléphonique.

Nous prenons l'engagement, conformément aux Règlements Internationaux, de souscrire à toutes les garanties que jugera nécessaires de nous demander l'Office International de Berne.

Nous vous prions, dans le cas où notre demande serait agréée, d'en aviser le Gouvernement Français pour qu'il nous en informe télégraphiquement et de nous faire connaître également, par lettre, la décision prise.

Écrit à Addis-Ababa, le 9 Yekatit, 1900 (17 Février, 1908) de l'an de grâce.

Pour copie conforme de la traduction :
Le Vice-Consul, Chargé de la Chancellerie,
(L.S.) (Signé) ROUX.

Inclosure 3 in No. 184.

*Declaration made by Commander Agnese at the Postal Union Congress held at Rome,
April 9, 1906.*

M. le Président et MM. les Délégués,

C'EST avec une vive satisfaction que l'Empereur d'Éthiopie a accepté l'invitation que le Gouvernement Italien lui avait fait parvenir de se faire représenter, bien que son Empire n'appartienne pas encore à l'Union Postale Universelle, au Sixième Congrès maintenant convoqué à Rome.

Sa Majesté a daigné me confier le mandat de prendre part, comme son Délégué, à la réunion actuelle, m'ayant à cet effet muni des pleins pouvoirs nécessaires, avec

mission de déclarer au sein du Congrès que son Gouvernement se propose d'entrer dans l'Union "selon la possibilité qui lui est consentie par les moyens du pays."

D'après la teneur de ces pleins pouvoirs, l'acceptation pure et simple par l'Éthiopie des obligations découlant de la Convention Postale Universelle n'étant pas possible dès ce moment, j'ai l'honneur de notifier au Congrès les intentions du Gouvernement Impérial Éthiopien et d'énoncer, dans les termes que je viens de formuler, la déclaration de la possibilité, pour l'Éthiopie, d'entrer dans l'Union.

Je prie le Congrès de vouloir bien prendre acte de ma communication, et je lui offre par avance mes remerciements.

No. 185.

[24451]

Sir G. Bonham to Sir Edward Grey.—(Received July 15.)

(No. 33.)

Berne, July 13, 1908.

Sir,

I HAVE the honour to report that on receipt of your despatch No. 15 of the 17th ultimo I addressed a note to the Federal Government, informing them that the action of the French Ambassador in handing to the Director-General of the Postal Bureau an application addressed to him by the Negus for the admission of Abyssinia to the Universal Postal Union was taken after an agreement on the subject had been arrived at between His Majesty's Government and the French and Italian Governments.

I have now the honour to forward copy of a note which I have received from the Federal Government in reply, forwarding for my information copies of a Circular addressed by them to the Governments of the States forming part of the Universal Postal Union, informing them of the admission of Ethiopia into the Union.

This Circular, dated the 7th instant, with its inclosures, consisting of copy of note from the French Chargé d'Affaires to the Federal Government of the 25th June, a French translation of the request of His Majesty the Emperor Menelek of the 17th February last, and a declaration made at Rome by the Commandeur Agnese, for the Emperor of Ethiopia, will reach His Majesty's Government through the Swiss Legation in London.

I am informed, on inquiry, that the application was made in the first instance by the French Ambassador in a note which was forwarded to the Postal Department for examination; that the Federal Government were subsequently asked to suspend action in the matter; that notes were afterwards received from myself and the Italian Representatives, after which the formal application was made by the French Chargé d'Affaires which will have been communicated to His Majesty's Government.

I have, &c.
(Signed) G. F. BONHAM.

Inclosure in No. 185.

*Swiss Federal Government to Sir G. Bonham.**Berne, le 7 Juillet, 1908.*

M. le Ministre,

EN nous référant à la note du 19 Juin dernier, nous avons l'honneur de remettre sous ce pli à votre Excellence, pour son information, un exemplaire de la note Circulaire (avec ses annexes*) que nous adressons aujourd'hui aux Gouvernements des États faisant partie de l'Union Postale Universelle pour leur donner connaissance de l'entrée de l'Éthiopie dans cette Union.

Veuillez, &c.
(Au nom du Conseil Fédéral Suisse),
Le Président de la Confédération,
(Signé) BRENNER.

Le Chancelier de la Confédération,

154

[24482]

No. 186.

Colonial Office to Foreign Office.—(Received July 15.)

Sir,

I AM directed by the Earl of Crewe to acknowledge the receipt of your letter of the 17th ultimo, and to inform you that he concurs in the terms of the draft despatch which Secretary Sir Edward Grey proposes to address to His Majesty's Minister at Adis Ababa with regard to the control of the frontier between Abyssinia and the East Africa Protectorate, except that he thinks that, as Sir Edward Grey suggests, a paragraph might usefully be added to the draft to the effect that, having regard to the unhealthiness of the climate and the exigence of leave, a staff of two officers appears to be insufficient.

I am, &c.
(Signed) R. L. ANTROBUS.

Downing Street, July 14, 1908.

[23332]

No. 187.

Sir Edward Grey to Mr. Graham.

(No. 20. Africa.)

Sir,

WITH reference to Sir E. Gorst's telegram No. 7, Africa, of the 17th ultimo respecting the proposed delimitation of the Soudan-Abyssinia frontier from parallel 6° north latitude to the Akobo, I transmit to you herewith a copy of a letter from the Colonial Office in regard to the matter.*

You will observe that the Secretary of State for the Colonies does not consider it necessary for the Soudan Government to detail an officer to assist the Southern Frontier Commission in the delimitation of the Soudan frontier, and suggests that that Government should agree to pay a share of the cost of the Commission proportionate to the comparative length of the two boundaries.

I shall be glad to learn the views of the Soudan Government on this proposal.

I understand from Sir R. Wingate that it is no longer convenient to the Soudan Government to appoint a Special Delegate to the Commission, and that he is willing to leave the interests of his Government in the hands of Major Gwynn.

I am, &c.
(Signed) E. GREY.

Foreign Office, July 17, 1908.

[23332]

No. 188.

Foreign Office to Colonial Office.

Sir,

I AM directed by Secretary Sir E. Grey to acknowledge the receipt of your letter of the 4th instant respecting the appointment of an officer of the Soudan Government to assist in the demarcation of the Soudan-Abyssinia frontier by the Commission appointed to demarcate the southern frontier of Abyssinia.

I am to transmit to you herewith, to be laid before the Secretary of State for the Colonies, a copy of a letter from Sir R. Wingate,† stating that it is no longer convenient to the Soudan Government to detail an officer for this purpose, and that he is prepared to leave the representation of the Soudan Government to Major Gwynn.

Sir E. Grey is instructing His Majesty's Minister at Cairo to ascertain if the Soudan Government are willing to accept the proposal made in the last paragraph of your letter under reply as to the payment by the Soudan Government of the expenses arising out of the demarcation of that portion of the Abyssinian boundary in which they are interested.

I am to request that you will inform Major Gwynn of the views expressed by Sir R. Wingate.

I am, &c.
(Signed) F. A. CAMPBELL.

* No. 180.

† No. 181.

155

[25048]

No. 189.

Sir A. Hardinge to Sir Edward Grey.—(Received July 20.)

(No. 76. Commercial.)

Sir,

Brussels, July 14, 1908.

I HAVE the honour to transmit herewith copy of a Law appearing in the "Moniteur Belge" of to-day's date, approving the Commercial Treaty between Belgium and Ethiopia which was signed on the 6th September, 1906.

I have, &c.
(Signed) ARTHUR H. HARDINGE.

Inclosure in No. 189.

Extract from the "Moniteur Belge" of July 14, 1908.

Loi approuvant le Traité de Commerce conclu le 6 Septembre, 1906, entre la Belgique et l'Éthiopie.

LÉOPOLD II, Roi des Belges,
A tous présents et à venir, salut.
Les Chambres ont adopté et nous sanctionnons ce qui suit :—

Article unique.—Le Traité de Commerce conclu le 6 Septembre, 1906, entre la Belgique et l'Éthiopie sortira son plein et entier effet.

Promulguons la présente Loi, ordonnons qu'elle soit revêtue du sceau de l'Etat et publiée par le "Moniteur."

Donné à Ostende, le 14 Juin, 1907.

(Signé) LÉOPOLD.

Par le Roi :

Le Ministre des Affaires Étrangères,
(Signé) J. DAVIGNON.

Vu et scellé du sceau de l'État :

Le Ministre de la Justice,
(Signé) J. RENKIN.

Traité.

Sa Majesté Léopold II, Roi des Belges, et Sa Majesté Ménélik II, Roi des Rois d'Éthiopie, désirant régler et développer les relations commerciales entre la Belgique et l'Éthiopie, Sa Majesté le Roi des Belges, représenté par son Plénipotentiaire, M. H. Henin, Chevalier de l'Ordre de Léopold, &c., Consul-Général de Belgique, chargé d'une mission en Éthiopie, dont les pleins pouvoirs ont été reconnus en bonne et due forme, et Sa Majesté Ménélik II, en son propre nom, agissant comme Roi des Rois d'Éthiopie, sont convenus de ce qui suit :—

ARTICLE 1^{er}.

Les sujets et les produits de chacun des deux pays jouiront réciproquement dans l'autre du même régime et des mêmes avantages, en matière d'établissement, de commerce, et de douane, que ceux qui sont actuellement accordés ou qui seraient accordés à l'avenir aux sujets et aux produits de la nation la plus favorisée.

ARTICLE 2.

Le présent Traité restera exécutoire pendant dix ans, qui commenceront à courir deux mois après le jour où sa ratification par Sa Majesté le Roi des Belges aura été notifiée à Sa Majesté le Roi des Rois d'Éthiopie. Dans le cas où aucune des deux Parties Contractantes n'aurait notifié, un an avant la fin de la dite période de dix

années, son intention d'en faire cesser les effets, le Traité demeurera obligatoire jusqu'à l'expiration d'une année à partir du jour où l'une ou l'autre des Parties Contractantes l'aura dénoncé.

En foi de quoi le présent Traité a été rédigé en deux exemplaires identiques en langues Française et Amharique, d'une part au nom de Sa Majesté le Roi des Belges, par son mandataire prénommé, et d'autre part, en son propre nom, comme Roi des Rois d'Éthiopie, par Sa Majesté l'Empereur Ménélik II.

Fait à Addis-Abeba, le 2 Pagoumien de l'an de grâce 1898 (correspondant au 6 Septembre, 1906).

(Signé) H. HENIN.
(Sceau de Sa Majesté l'Empereur Ménélik II.)

La ratification du Traité par Sa Majesté le Roi des Belges a été notifiée à Sa Majesté le Roi des Rois d'Éthiopie le 25 Juin, 1908.

Certifié par le Secrétaire-Général du Ministère des Affaires Étrangères,
(Signé) Chevr. van der ELST.

[25082]

No. 190.

Sir E. Egerton to Sir Edward Grey.—(Received July 20.)

(No. 111.)
Sir,

Rome, July 14, 1908.

I HAVE the honour to transmit herewith a summary of events in this country during the fortnight ended to-day.

I have, &c.
(For the Ambassador),
(Signed) WILLIAM ERSKINE.

Inclosure in No. 190.

Parliamentary Summary, July 1-14, 1908.

A DEBATE took place in the Senate on the 4th instant on the recent Convention between Italy and Abyssinia. Senator Pierantoni criticized the Convention on the ground that it gave to Italy, at the high price of 3,000,000 fr., some 50 kilom. of perfectly valueless land. He also attacked Italian colonial policy on general grounds.

Signor Tittoni in his reply stated that Parliament had on several occasions approved of the present colonial policy, and that he did not wish to reopen that part of the question. He pointed out that the present Convention represented a necessary step in that policy, and, after defending its details, said that the time had come to make a first forward step, and to occupy the newly acquired zone up to the Uebi Seebeli. The only dangerous part of this zone was the part between Merca and the river, i.e., 25 kilom., and that between Mogadisho and the river, i.e., 50 kilom. The expeditionary force would soon be ready, and the Government hoped in a few months to be able to announce that the country had been occupied as far as the river.

The Convention was approved by a large majority.

The Senate rose for the summer holidays on the 5th instant.

[25619]

No. 191.

The Marquis di San Giuliano to Sir Edward Grey.—(Received July 23.)

(Translation.)

Your Excellency,

Italian Embassy, July 20, 1908.

I COMMUNICATED without delay to my Government the contents of your Excellency's note of the 14th May, 1908, respecting the identic instructions to the Representatives of Great Britain, Italy, and France at Adis Ababa.

In the first place, my Government request me to thank His Britannic Majesty's Government, through your Excellency, for the courteous attention given to our

proposals; and I am then to lay before you the following observations on the points to be included in the instructions in question:—

1. *Modus Procedendi.*—My Government fear that the suppression of the phrase "si l'entente ne sera pas possible" from the draft presented by us may remove all practical sanction from Article 10, the application of which is the object of this first paragraph of the instructions. In accordance with the declarations of the British Government in their Memorandum of the 6th April, to the effect that Article 10 of the Agreement of 1906 is applicable to the interests specified in Article 3 and to such other interests as concern the general policy of the three Powers, and taking into account the desire of the British Government not to limit too strictly the action of the Representatives in Abyssinia, the Italian Government would propose the following formula:—

"Pour régler d'une façon uniforme l'application de certaines clauses de l'Accord de Londres du 13 Décembre, 1906, en tant qu'elles se réfèrent aux intérêts communs des trois Puissances Signataires dans l'Empire, ou à certains intérêts spéciaux qui sont indiqués ci-dessous; et pour éviter d'une façon absolue de porter devant le Négus les différends qui pourraient surgir entre les Représentants des trois Puissances (qui doivent être, ou du moins paraître, complètement d'accord vis-à-vis du Négus), chacun d'eux devra informer complètement ses collègues de toutes les questions qui touchent à des intérêts communs des trois Puissances, de sujets de celles-ci, de tierces Puissances ou de sujets de ces dernières.

"Dans le cas où une différence d'opinion surgirait, quant à la manière de juger si une affaire déterminée est ou non d'intérêt commun, le Représentant qui croira devoir soulever une objection en informera ses collègues, et les trois Représentants examineront la question et prendront une décision. S'ils ne pourront pas se mettre d'accord, ils en référeront à leurs Gouvernements, en suspendant, en attendant, toute action."

2. *Concessions.*—My Government, entering into the order of ideas expressed in your Excellency's note, would propose the following amended clause:—

"Les Représentants des trois Puissances s'abstiendront de demander ou d'appuyer les Concessions qui se trouveront en contradiction avec l'esprit de l'Accord du 13 Décembre, 1906, en tant qu'elles pourraient léser les intérêts communs de l'une ou de plusieurs Puissances Signataires, et s'opposeront conjointement s'il est nécessaire aux Concessions de ce genre qui seraient demandées directement, soit par leurs sujets, soit par des Puissances tierces."

The last part of the clause proposed by your Excellency would seem superfluous, inasmuch as joint instructions cannot regulate the relations of each separate Minister with his Government, and in case of divergence the general principle mentioned above of carrying the question before the respective Governments would come into effect.

3. *Defence of the Legations.*—The Italian Government are in perfect agreement with His Britannic Majesty's Government.

4. *Menelik's Successor.*—As is well known to your Excellency, the Negus has officially notified to the foreign Representatives at Adis Ababa his designation of Ligg Jasu as heir to the Throne of Abyssinia. In view of this, and since our proposal on the subject, when at the desire of the British Government all reference to the moral support of the Powers has been suppressed therefrom, would be reduced merely to taking steps to urge the Negus to designate his heir, my Government consider that all this clause could be omitted.

With regard to the other points, the Italian Government take note of the contents of your Excellency's communication and have no objections to raise.

If, as I hope, your Excellency is able to inform me of the concurrence of your Government in the proposals contained in the present note with regard to the *modus procedendi*—and my Government are ready to accept any more general formula on the subject which your Excellency may be pleased to suggest—and with regard to Concessions, it would be advisable, in my opinion, for a definite text to be drafted by the Foreign Office and this Embassy in consultation; it would then be possible to discuss in due course on the basis of this text the reply of the French Government, which, according to the Italian Chargé d'Affaires in Paris, cannot be delayed much longer.

I have, &c.
(Signed) A. DI SAN GIULIANO.

[1557]

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[22429]

No. 192.

Sir Edward Grey to the Marquis di San Giuliano.

Your Excellency,

ON the 24th ultimo your Excellency was so good as to address to me a note containing certain proposals with regard to the abolition of all internal customs dues, &c., in Abyssinia, and requesting the views of His Majesty's Government on the subject.

I have now the honour to inform your Excellency that the points raised in your communication are receiving serious consideration, but before replying thereto His Majesty's Government desire to await the reply of the French Government to their application for a copy of the actual text of the new Railway Concession. I had the honour to inform Count de Bosdari on the 14th May last that such an application was being forwarded to the French Government.

Steps are being taken to inquire when we may expect the reply from the French Government on the subject.

I have, &c.
(Signed) E. GREY.

Foreign Office, July 23, 1908.

[23823]

No. 193.

Sir Edward Grey to the Marquis di San Giuliano.

Your Excellency,

I HAVE the honour to acknowledge the receipt of your Excellency's note of the 9th instant informing me that the Italian Government adhere to the proposal to take formal act of the notification made by the Emperor Menelek as to the choice of his heir to the Throne of Ethiopia.

I have the honour to inform your Excellency in reply that no communication has as yet taken place with the French Government on the subject. In view, however, of the information as to the action of the French Government in the matter contained in your Excellency's note under reply, the Government of the Republic will now be informed that His Majesty's Government intend formally to acknowledge the Emperor Menelek's communication.

I have, &c.
(Signed) E. GREY.

Foreign Office, July 24, 1908.

23823]

No. 194.

Sir Edward Grey to Sir F. Bertie.

(No. 47. Africa.)

Sir,

HIS Majesty's Government have recently been informed by His Majesty's Minister in Adis Ababa that the Emperor Menelek has formally notified his choice of his grandson, Lij Yasu, as His Majesty's heir to the Throne of Abyssinia.

It was the intention of His Majesty's Government to propose that the three Signatory Powers of the 1906 Agreement should join in a formal acknowledgment to the Negus. They understand, however, that the French Representative in Adis Ababa has already been instructed by his Government to make such an acknowledgment on their behalf.

In these circumstances, His Majesty's Government are sending similar instructions to Sir J. Harrington to take act of the Emperor Menelek's communication.

I am, &c.
(Signed) E. GREY.

Foreign Office, July 24, 1908.

[24482]

No. 195.

Sir Edward Grey to Sir J. Harrington.

(No. 74.)

Sir,

I HAVE received your despatch No. 18 of the 16th ultimo respecting the control of the frontier between Abyssinia and the East Africa Protectorate.

With regard to the establishment of posts on the Abyssinian side of the frontier, you should endeavour as occasion offers to obtain the Emperor's consent to the establishment of two posts in Abyssinian territory should it prove after delimitation that there are no suitable places on the British side of the frontier except Churre Moyele.

You should not, for the present at any rate, give His Majesty any reason to suppose that His Majesty's Government might be willing to make him a money payment in return for permission to establish these posts in Abyssinian territory.

I have observed that your scheme only provides for two British Inspectors. Having regard to the unhealthiness of the climate and the exigencies of leave, this number appears to me insufficient. I shall be glad of your views on this point.

I am, &c.
(Signed) E. GREY.

Foreign Office, July 24, 1908.

[23823]

No. 196.

Sir Edward Grey to Sir J. Harrington.

(No. 75.)

Sir,

WITH reference to your telegram No. 28 of the 19th ultimo, you should address to King Menelek on behalf of His Majesty's Government a formal acknowledgment of His Majesty's notification of the choice of his grandson Lij Yasu as His Majesty's heir to the Throne of Ethiopia.

I inclose, for your information, copies of the correspondence which has passed between the Italian Ambassador, and with His Majesty's Ambassador at Paris, on the subject.*

I am, &c.
(Signed) E. GREY.

Foreign Office, July 24, 1908.

[26040]

No. 197.

Sir F. Bertie to Sir Edward Grey.—(Received July 27.)

No. 40. Africa.)

Sir,

WITH reference to your despatch No. 46, Africa, of the 23rd instant, relative to the new Abyssinian Railway Concession, I have the honour to transmit to you herewith copy of a Memorandum communicated by the Ministry for Foreign Affairs to His Majesty's Embassy, stating that a copy of the Concession cannot be given to the Embassy until it has been laid before the Chamber of Deputies.

I have learned from the Ministry for Foreign Affairs that the matter will in all probability be brought before the French Parliament soon after they reassemble in October.

I have, &c.
(Signed) FRANCIS BERTIE.

Paris, July 25, 1908.

Inclosure in No. 197.

Memorandum from the French Government.

EN réponse à la note qui lui a été adressée le 20 Mai dernier, le Ministère des Affaires Étrangères a l'honneur de faire savoir à l'Ambassade de Sa Majesté

* Nos. 182, 193, and 194

Britannique qu'il ne lui est pas possible de donner communication du contrat du 30 Janvier, 1908, relatif à la Concession du Chemin de Fer de Djibouti à Addis-Ababa avant que cet acte ait été soumis aux Chambres Françaises.

Aussitôt que le projet de Loi relatif au chemin de fer aura été distribué au Parlement, une copie du contrat précité sera remise à l'Ambassade, et il est en outre bien entendu que, lorsque le Parlement y aura donné sa sanction, le Gouvernement de la République s'empressera d'inviter le Gouvernement Britannique, ainsi que les Gouvernements Italien et Éthiopien, à désigner leurs Représentants respectifs au Conseil d'Administration de la Compagnie du Chemin de Fer de Djibouti à Addis-Ababa.

Le 18 Juin, 1908.

[27960]

No. 198.

The Marquis di San Giuliano to Sir Edward Grey.—(Received August 11.)

(Translation.)
Sir,

Italian Embassy, London, August 8, 1908.

WITH reference to previous correspondence on the matter and to the last note which you were good enough to address to me, under date of the 17th June last, I have the honour to inform you that the Swiss Legation at Rome has notified to the Italian Government the adhesion of Abyssinia to the Universal Postal Union.

In the text of the note, however, an allusion is made to other demands put forward by the Negus, concerning not only the stipulations relating to the postal service, but also those regarding telegraph and telephone services.

As in all communications from the French Embassy at Rome mention was only made of the adhesion of Abyssinia to the Universal Postal Union, and, as the support of the Italian Government was limited to steps to be taken in that connection, the Italian Government do not think that the French Government can have gone beyond those limits. Confirmation of this has been asked for at Paris. With due reserve in regard to the demand for telegraphs and telephones, the Italian Government have taken act of the aforesaid notification from the Swiss Legation.

I have the honour to bring the above to your knowledge, and I avail, &c.

(Signed) A. DI SAN GIULIANO.

[25619]

No. 199.

Sir Edward Grey to the Marquis di San Giuliano.

Your Excellency,

Foreign Office, August 11, 1908.

I HAVE the honour to acknowledge the receipt of your Excellency's note of the 20th ultimo relative to the proposed dispatch of identic instructions to the Representatives of Great Britain, Italy, and France at Adis Ababa, and I have the honour to offer the following observations on the various points dealt with therein:—

Modus Procedendi.—While fully recognizing the earnest endeavours of your Excellency's Government to modify the terms of this clause so as to bring it into conformity with the desires of His Majesty's Government, I have the honour to point out that the modified text still appears to be open to the objection made to the original text as notified to the Italian Chargé d'Affaires in my note of the 14th May last, namely, that the discretion of His Majesty's Representative at Adis Ababa would be unduly restricted by the insertion of the words "S'ils ne pourront pas se mettre d'accord, &c.," contained in the final sentence of the clause.

Concessions.—His Majesty's Government agree generally with the terms of this clause as now proposed by the Italian Government.

Menelek's Successor.—His Majesty's Government agree that as this question has already been arranged, all reference to it should be omitted from the identic instructions.

As regards your Excellency's suggestion that a definite text should now be drawn up in consultation between the Italian Embassy and this Office, His Majesty's Government are of opinion that until the French Government have made known their proposals

on the subject very little would be gained by the adoption of such a course. Any definite text so drawn up and agreed upon would doubtless have to be considerably amended when the desires of the French Government are made known, and I have the honour to suggest, therefore, that the matter should now be left in abeyance until our two Governments are in receipt of the French Government's reply to the communication made to them by the late Count Tornielli in January last.

I have, &c.

(Signed) E. GREY.

[23347]

No. 200.

Foreign Office to Messrs. Ochs Brothers.

Gentlemen,

Foreign Office, August 13, 1908.

I AM directed by Secretary Sir E. Grey to state that he has had under his consideration your letter of the 3rd ultimo, in which you renew your request that His Majesty's Government should intervene with the Abyssinian authorities on your behalf in order to secure the recognition of the International Ethiopian Railway Trust Company's rights as mortgagees of the railway station of Diré Dawa and of 80 kilom. of the railway line in Abyssinian territory.

The right of the Trust Company to enter into possession of the Diré Dawa station, &c., mortgaged to them must, it is considered, depend in the first instance on the law prevailing in Abyssinia. The general principles of international law lay down that all land is subject to the laws of the country in which it is situated. There is, however, in the documents in the possession of this Office no evidence to show that the Railway Company, as holders of the Concession from the Emperor Menelek for the construction of the line, were entitled according to Abyssinian law to mortgage their right to the land, and there is likewise nothing to show that the Emperor Menelek consented to the execution of a mortgage by the Railway Company entitling the Trust Company to step in and seize the land in the possession of the Railway Company.

In the terms of the Agreement between the Railway Company and the French Government as regards that portion of the line which lies in French territory, a special stipulation was inserted to the effect that no portion of the line in French territory could be mortgaged without the consent of the French Government, and there is also a proviso that this clause is not to be held to apply to that portion of the line in Abyssinian territory except as the result of a direct understanding with the Emperor Menelek. As no steps seem to have been taken at the time to obtain the Emperor's consent to the mortgage, the Railway Company would not appear to have had the power to give, nor the Trust Company to receive, a right to seize and enter into possession of any portion of the line situated in Abyssinian territory unless that right was recognized by the laws then prevailing in Abyssinia.

For these reasons Sir E. Grey regrets that he is unable to make any representations on your behalf to the Emperor Menelek, who appears to have been completely within his rights in preventing the representatives of the Trust Company from taking possession of the station of Diré Dawa and the 80 kilom. of the railway.

I am, &c.

(Signed) W. LANGLEY.

[29012]

No. 201.

Sir R. Wingate to Sir E. Gorst.—(Communicated by Sir E. Gorst, August 15.)

*Governor-General's Office, Dunbar,
August 13, 1908.*

My dear Gorst,

WITH regard to the Italian Ambassador's letter to Sir Edward Grey dated the 24th June, and the latter's reply dated the 23rd July, concerning certain proposals relating to the abolition of all internal customs dues, &c., in Abyssinia, and requesting the views of His Majesty's Government on the subject, I observe that the Marquis di San Giuliano states that "The Italian Government would on their part naturally be prepared to grant their own support, with a view to like conditions being granted to goods following the commercial routes to and from the Soudan."

[1557]

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In so far as the Soudan is concerned this is a matter of considerable importance, and it may lead to a thorough revision of the Erythraean Convention. May I suggest that, in the event of Sir Edward Grey replying further to the Italian note, he intimates that the proposed scheme of taxation, in so far as the Soudan is concerned, should be delayed until I am in a position to send in a special note on the subject some time next winter.

There are so many similar questions pending between ourselves and the Erythraean Government and Abyssinia that it was my intention to suggest to you to send Major Hayes Sadler, the Director of Soudan Customs, to Asmara to confer with the Governor of Erythraea on all these questions with a view to arriving at some mutually satisfactory arrangement. If you concur in this project, I would suggest Major Hayes Sadler being allowed to go to the Foreign Office whilst he is at home on leave this summer, and look up the various letters and Memoranda which have passed on the Customs arrangements between Italy, France, England, and Abyssinia; he is a good business man and can be thoroughly trusted in regard to confidential documents.

Yours, &c.

(Signed) R. WINGATE.

[28594]

No. 202.

Mr. Erskine to Sir Edward Grey.—(Received August 17.)

(No. 28. Africa.)

Sir,

Rome, August 10, 1908.

WITH reference to Sir E. Egerton's despatch No. 24, Africa, of the 26th June, forwarding the text and translation of the two Conventions between Italy and Abyssinia, for the delimitation of the frontier between Ethiopia and Benadir and between Dankalia and Erythraea, together with the Additional Act with regard to the payment by the Italian Government of 3,000,000 lire to King Menelek, I have the honour to transmit herewith copy and translation of a Royal Decree, which has been published in the "Official Gazette" of the 8th instant, giving effect to the Agreements in question.

I have, &c.

(Signed) WILLIAM ERSKINE.

Inclosure in No. 202.

Extract from the Italian "Official Gazette" of August 8, 1908.

(Translation.)

VICTOR EMMANUEL III, by the grace of God and the will of the nation King of Italy,

The Senate and the Chamber of Deputies have approved;
We have sanctioned and promulgate as follows:—

Article 1. The two joint Conventions, dated Adis Abeba the 16th May, 1908, between the Italian Government and the Ethiopian Government, for the delimitation of the frontier between Ethiopia and Italian Somaliland and between Ethiopia and Erythraea towards Dancalia (Inclosures A and B).

Article 2. The joint Additional Act of the 16th May, 1908, of the Convention of the same date, relative to the boundary of Somalia (Inclosure C) is approved. To fulfil the obligations assumed by the Italian Government under that Additional Act, authorization is given for the extraordinary payment of 3,000,000 lire to be placed on the estimates for the year 1907-8 of the Ministry for Foreign Affairs, which sum is to be placed at the disposition of the Emperor of Ethiopia.

We command that this present Act, with the seal of State affixed, be inserted in the official collection of Laws and Decrees of the Kingdom of Italy, commanding whomsoever it may concern to observe and to cause it to be observed as a Law of the State.

Given at Racconigi, the 17th day of July, 1908.

(Signed) TITTONI.
CARCANO.

(Signed) VICTOR EMMANUEL.

[28763]

No. 203.

The Marquis di San Giuliano to Sir Edward Grey.—(Received August 18.)

(Translation.)

Italian Embassy, London, August 15, 1908.

Sir,

IN your note of the 24th ultimo you were good enough to inform me that the French Government had been informed by the British Government that the latter intended to take formal act of the communication of the Negus relative to the designation of Lig Yasu as heir to the throne.

I venture to ask you to inform me whether the French Government replied to that communication and in what sense.

Thanking you in advance for the communication you may be good enough to make to me in the matter, I avail, &c.

(Signed) A. DI SAN GIULIANO.

[28805]

No. 204.

Sir G. Bonham to Sir Edward Grey.—(Received August 19.)

(No. 45.)

Berne, August 17, 1908.

Sir,

WITH reference to my despatch No. 33 of the 13th ultimo, forwarding copy of the communication addressed by the Federal Government to the Governments of the States forming part of the Universal Postal Union informing them of the admission of Ethiopia into the Union, I have the honour to report that the Italian Minister has received instructions to inform his English and French colleagues of the reply given by the Italian Government to the note from the Swiss Chargé d'Affaires in Rome, notifying the request made by the Emperor Menelik.

The Italian note contains reservations with regard to further demands made by the Emperor relating to telegraphs and telephones which have not been considered by the three Powers interested.

The Marquis Cusani handed to me the text of the note of which a copy is inclosed to serve as a Memorandum of his verbal communication.

A similar communication has been made to the French Embassy, and also to the Federal Government.

I have, &c.

(Signed) G. F. BONHAM.

Inclosure in No. 204.

Memorandum communicated by M. Tittoni to the Swiss Chargé d'Affaires in Rome.

PAR votre note du 7 Juillet courant vous avez bien voulu me notifier, en application de l'Article 24, paragraphe 2, de la Convention Postale Universelle (1906), la demande d'admission de l'Éthiopie dans l'Union Postale Universelle.

Cette demande, comportant l'adhésion de ce pays à la Convention susdite, a été présentée au Haut Conseil Fédéral par l'entremise de l'Ambassadeur de France à Berne, à ce autorisé par une lettre de Sa Majesté Ménélik, moyennant entente préalable avec les Gouvernements d'Italie et de Grande-Bretagne, dûment signifiée au Haut Conseil précité.

En prenant acte de votre communication, je crois devoir, par abondance, formuler des réserves au sujet des autres demandes dont il est question dans la lettre de Sa Majesté Ménélik, et auxquelles vous faites allusion dans le texte même de votre note.

Ces autres demandes, visant le service des télégraphes et des téléphones, ne sauraient, en effet, former l'objet d'une notification de la part du Haut Conseil Fédéral et n'ont pas été considérées par les trois Puissances intéressées.

Je vous saurai bien gré de vouloir me communiquer, en son temps, la date à partir de laquelle on propose de rendre valable l'adhésion de l'Éthiopie à l'Union Postale Universelle, le montant de la dotation du Gouvernement Éthiopien aux frais du Bureau International, et des équivalents des taxes à fixer pour ce pays.

164

[28763]

No. 205.

Sir Edward Grey to the Marquis di San Giuliano.

Your Excellency,

Foreign Office, August 24, 1908.

I HAVE the honour to acknowledge the receipt of your Excellency's note of the 15th instant, inquiring whether the French Government have replied to the communication addressed to them by His Majesty's Government stating that His Majesty's Government intended to take formal act of the Negus' announcement that he had designated Lig Yasu as his successor.

I have the honour to inform your Excellency that no reply has been received from the French Government on the subject, and that His Majesty's Ambassador at Paris is being requested to report if he is aware of the views of the French Government in regard to the matter.

I have, &c.
(Signed) E. GREY.

[28763]

No. 206.

Sir Edward Grey to Sir F. Bertie.

(No. 54. Africa.)

Sir,

Foreign Office, August 24, 1908.

I TRANSMIT to your Excellency herewith a copy of a note from the Italian Ambassador to this Court,* respecting the Negus' designation of Lij Yasu as his successor.

In view of the inquiry contained in section 2 of this note, your Excellency should make a communication to the French Government in the sense of my despatch No. 47, Africa, of the 24th ultimo, and ascertain if the statement contained in section 2 of M. di San Giuliano's note of the 9th ultimo is in accordance with facts.

I am, &c.
(Signed) E. GREY.

[29912]

No. 207.

Note communicated by French Embassy, August 28, 1908.

LES Gouvernements Anglais, Français, et Italien se sont mis récemment d'accord pour appuyer à Berne la demande d'adhésion de l'Éthiopie à l'Union Postale Universelle. La demande qui a été présentée au Conseil Fédéral par l'Ambassadeur de France à Berne ne visait que le service des postes.

Au cas où l'Empereur Ménélik désirerait adhérer également à la Convention de Saint-Pétersbourg du 22 Juillet, 1875, sur le service télégraphique, le Gouvernement Britannique serait-il disposé à appuyer sa demande, d'accord avec les Gouvernements Français et Italien ?

Le 27 Août, 1908.

[29012]

No. 208.

Foreign Office to Sir R. Wingate.

Sir,

Foreign Office, August 29, 1908.

I AM directed by Secretary Sir E. Grey to transmit to you herewith copies of a note from the Italian Ambassador and of the reply which has been returned to his Excellency respecting the abolition of internal taxes in Abyssinia.†

You will observe that the Italian Government are willing to agree to certain dues being collected on the Adis Ababa-Dire Dawa route and on goods entering and leaving Erythræa and the Benadir along their commercial routes, provided that, (a) in the case of railways constructed by Italy, that country shall enjoy the same conditions as France in respect of the Jibuti Railway, (b) the toll and transit dues are abolished on the commercial routes leading to Italian Colonies.

* No. 203.

† Nos. 172 and 192.

165

In view of the fact that the Italian Government have expressed their willingness to support any action taken by His Majesty's Government with the object of obtaining similar terms for the Soudan, Sir E. Grey will be grateful for any observations you may have to offer in regard to the matter.

I am, &c.
(Signed) W. LANGLEY.

[30244]

No. 209.

Sir J. Harrington to Sir Edward Grey.—(Received August 31.)

(No. 27.)

Adis Ababa, July 31, 1908.

Sir,

I HAVE the honour to acknowledge receipt of your despatch No. 41 of the 8th May, and to submit the following observations:—

I cannot deny that it would be more economical to conduct the finishing education of interpreters at Khartoum rather than in England, but I am unable, after my experience of interpreters in this country, to alter my previously expressed opinion, that an interpreter to be really useful must have spent some time in Europe.

As regards binding interpreters who have received their education at Government expense by a contract to serve His Majesty's Government for a certain period, the result of my inquiries only confirms me in my belief that it is almost impossible to obtain a contract that could be enforced.

The best guarantee that interpreters who have received their education at Government expense will serve His Majesty's Government is that there are not more lucrative appointments to be obtained as interpreters outside the Legation, and the fact that being in Legation employ they enjoy a certain position and are free from oppression on the part of their own countrymen.

I inclose herewith a statement of the expenditure incurred up to date in the education of two youths from the Swedish Mission at Asmara. (Your despatch No. 66 of the 16th September, 1907.)

Arrangements were made by His Majesty's Chargé d'Affaires, Mr. Hohler, with the Governor-General of the Soudan, for their education at Khartoum, and they were accordingly sent there in February last.

No accounts have yet been received of expenditure at Khartoum.

I have, &c.
(Signed) J. L. HARRINGTON.

Inclosure in No. 209.

STATEMENT of Expenditure of Abyssinian Student Interpreters.

		£ s. d.	
1907. August	Part journey from Asmara ..	77·80	At 8½ 10 0 8
	Saddles at Dire-dawa ..	10·00	
		87·80	
October .. November .. December ..	Utensils and rations ..	13·75	At 9½ 4 8 5
	Rations, &c. ..	14·00	
	Rations, &c. ..	14·25	
		42·00	
1908. January .. February .. March ..	Present for Christmas ..	20·00	At 10 36 15 0
	Rations, &c. ..	14·00	
	Rations, &c. ..	15·00	
	Five months' pay, at 10 dollars each per month ..	100·00	
	Advances for journey, 50 dollars each ..	100·00	
March ..	Journey to Suez ..	118·50	At 10 36 15 0
		367·50	
Total ..			51 4 1

[1557]

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[30246]

No. 210.

Sir J. Harrington to Sir Edward Grey.—(Received August 31.)(No. 29.)
Sir,*Adis Ababa, August 7, 1908.*

WITH reference to your despatch No. 16 of the 19th February last, one of the inclosures in which was a copy of King George's Decree sanctioning the Statutes of the Hellenic community at Adis Ababa, I have the honour to report that this community no longer exists.

Dissensions speedily arose amongst its members, and before long reached so acute a stage that the Committee resigned in a body, and it has been found impossible to reconstitute it. The entire burden of the protection of the Greeks in Abyssinia, including the hearing and settling of disputes in which they are involved, has thus once more fallen on this Legation.

The reasons showing the urgent necessity for the release of His Majesty's Legation from this burden were set out at great length by Mr. Hohler in his despatches No. 64 of the 10th October and No. 90 of the 21st December, 1907. The principal arguments are the following:—

1. The great danger to the Legation in times of riot or disturbances, when the Greeks are certain to provoke hostilities in the town and then take refuge here.

This was recently exemplified in the case of a brawl which took place in a Greek saloon, in the course of which shots were fired. The entire Greek Colony, in terror at the results of their folly, rushed to the Legation for protection.

2. The odium which attaches to the Legation through our obligation to interfere in the never-ending disputes and quarrels between Greeks and Abyssinians.

3. The waste of valuable time in dealing with Greek cases, to the exclusion of more important matters, at audiences with the Emperor.

4. The heavy and thankless task imposed on the Legation.

In a despatch from Athens, dated the 28th November, 1907, Sir Francis Elliot reported that the Greek Minister for Foreign Affairs had as a temporary measure intended appointing a member of the Greek community as Honorary Consul at Adis Ababa, but that he found on inquiry that there was no one of sufficient authority or social standing to be intrusted with these functions. He therefore recognized the necessity for the appointment of a regular Consular official, for which a Bill would have to be carried through the Chamber. More than eight months have now elapsed, but no steps in the matter seem to have been taken. It is therefore evident that the only way of compelling the Greek Government to take action is to assign them a time limit for the settlement of this matter, on the expiry of which His Majesty's Government would cease to grant Greek subjects their protection.

I have, &c.
(Signed) J. HARRINGTON.

[31020]

No. 211.

Mr. Graham to Sir Edward Grey.—(Received September 7.)(No. 9. Africa.)
Sir,*Alexandria, August 31, 1907.*

IN reply to your despatch No. 20, Africa, of the 17th ultimo, I have the honour to report that I have received a despatch from the Acting Governor-General of the Soudan, informing me that the Soudanese Government are prepared to pay a share of the cost of delimitation of the Soudanese-Abyssinian frontier, proportionate to the comparative lengths of the two boundaries. The total cost being estimated at £ E. 8,000, the share payable by the Soudanese Government would be approximately £ E. 800.

I have, &c.
(Signed) RONALD GRAHAM.

[29912]

No. 212.

*Sir Edward Grey to Marquis di San Giuliano.**Foreign Office, September 9, 1908.*

Your Excellency,

I HAVE the honour to inform your Excellency that the French Chargé d'Affaires called at this Office recently and stated that the Emperor Menelek's request, put forward by the French Ambassador at Berne, that Abyssinia should be allowed to adhere to the Universal Postal Union only applied to the postal service.

M. de Manneville inquired whether, in the event of Ethiopia wishing also to adhere to the Convention of St. Petersburg of the 22nd July, 1875, respecting the telegraphic service, His Majesty's Government would be prepared to support the request in conjunction with the Governments of Italy and France.

Before considering this question, I should be glad if your Excellency would be so good as to inform me what answer was returned by the French Government to the inquiry, referred to in your Excellency's note of the 8th ultimo, made by the Italian Ambassador at Paris.

I have, &c.
(Signed) E. GREY.

No. 213.

[31656]

Sir F. Bertie to Sir Edward Grey.—(Received September 12.)(No. 45. Africa.)
Sir,*Paris, September 10, 1908.*

WITH reference to your despatch No. 54, Africa, of the 24th ultimo, relative to the designation by the Negus of Abyssinia of his successor, I have the honour to transmit to you herewith copies of notes which have passed between myself and M. Pichon, from which you will see that the information received by His Majesty's Government was correct, and that the French Minister at Adis Ababa was instructed to acknowledge the Emperor Menelek's communication.

I have, &c.
(Signed) FRANCIS BERTIE.

Inclosure 1 in No. 213.

*Sir F. Bertie to M. Pichon.**Paris, August 31, 1908.*

M. le Ministre,

HIS Majesty's Government were informed some time ago by their Representative at Adis Ababa that the Emperor Menelek had formally notified his choice of his grandson, Lij Yasu, as His Majesty's heir to the Throne of Abyssinia.

It had been the intention of His Majesty's Government to propose that the three Signatory Powers of the Agreement of 1906 should join in a formal acknowledgment to the Negus, but they heard that the French Representative at Adis Ababa had been instructed by telegraph to acknowledge receipt to the Negus of the above-mentioned notification and to thank him for its communication. In these circumstances, His Majesty's Government directed His Majesty's Minister at Adis Ababa to take similar action.

I have received instructions from Sir Edward Grey to inquire of your Excellency whether the information received by His Majesty's Government as to the instructions sent to the French Minister at Adis Ababa was correct.

I have, &c.
(Signed) FRANCIS BERTIE.

Inclosure 2 in No. 213.

M. Pichon to Sir F. Bertie.

M. l'Ambassadeur,

Paris, le 8 Septembre, 1908.

J'AI l'honneur d'accuser réception à votre Excellence de sa lettre en date du 31 Août dernier, relative à la notification faite par l'Empereur Ménélik du choix de son successeur éventuel au Trône d'Éthiopie.

L'information communiquée au Gouvernement de Sa Majesté est exacte et le Ministre de la République à Addis-Ababa a été effectivement invité, par mesure de courtoisie, à remercier l'Empereur Ménélik de sa démarche.

Agréez, &c.
(Signé) S. PICHON.

[31656]

No. 214.

Sir Edward Grey to Marquis di San Giuliano.

Your Excellency,

Foreign Office, September 16, 1908.

WITH reference to my note of the 24th ultimo, respecting the designation by the Emperor Menelek of his successor, I have the honour to inform your Excellency that a despatch has been received from His Majesty's Minister at Paris transmitting a note from the French Government. M. Pichon states that the French Minister at Addis Ababa was instructed to thank the Emperor Menelek, as a measure of courtesy, for His Majesty's communication announcing his selection of Lij Yasu as his heir.

I have, &c.
(Signed) E. GREY.

[32983]

No. 215.

The Marquis di San Giuliano to Sir Edward Grey.—(Received September 23.)

(Translation.)

Your Excellency,

Italian Embassy, September 19, 1908.

I DID not fail to communicate to my Government the contents of the note which your Excellency was good enough to address to me on the 11th ultimo respecting the identic instructions to be sent to the Representatives of Italy, Great Britain, and France at Adis Ababa.

It was with great pleasure that my Government learnt that the British Government is in agreement on all the points, their one objection referring to the *modus procedendi*; and, as I have already observed in my note of the 20th July, the Italian Government is disposed to accept on this point the more general form ("formula") which meets with the approval of the British Government. This being the case, my Government desire me to approach your Excellency again, and to inquire whether it would not be possible for the British Government to now propose a form in regard to this point, while the Italian Government will renew their representations at Paris with a view to inducing the French Government to express without further delay their opinion regarding the proposed identic instructions.

I shall be grateful to your Excellency for any communication on this subject which you may be good enough to address to me.

I have, &c.
(Signed) SAN GIULIANO.

[33022]

No. 216.

Sir J. Harrington to Sir Edward Grey.—(Received September 23.)

(No. 33.)

(Telegraphic.) P.

PROTECTION of southern frontier.

Adis Ababa, September 23, 1908.

I presume that the grant for next year will be renewed.

No. 217.

Memorandum by Sir F. Campbell.

[33316]

THE French Ambassador stated that the Italian Ambassador at Paris had approached M. Pichon with a suggestion that further detailed instructions should be given to the Representatives of the three Powers at Adis Ababa, and had stated that His Majesty's Government were agreed in principle.

M. Pichon had replied that he had no information to this effect, and that he hardly thought that any such instructions were needed. M. Cambon added that matters appeared to be proceeding smoothly at present, and no complaints were being received from any side.

The French Government ask what view we take and what we have replied.

F. A. C.

Foreign Office, September 25, 1908.

[33516]

No. 218.

Sir J. Harrington to Sir Edward Grey.—(Received September 28.)

(No. 31.)

Sir,

Adis Ababa, September 4, 1908.

WITH reference to your despatch No. 74 of the 24th July last, I have the honour to inform you that your instructions regarding the establishment of posts on the Abyssinian side of the frontier with British East Africa have been noted.

With reference to the scheme for the control of the frontier, submitted with my despatch No. 18 of the 16th June last, economical reasons induced me to suggest two inspectors only, my idea being that one should be always on the frontier.

There is no doubt whatever in my mind, having regard to the unhealthiness of the climate and the exigencies of leave, that, if the extra expenditure can be sanctioned, three inspectors would be a more satisfactory number, and would insure a more efficient control of the frontier.

I have, &c.
(Signed) J. L. HARRINGTON.

[33501]

No. 219.

Mr. Young to Sir Edward Grey.—(Received September 28.)

(No. 4. Africa.)

Sir,

Athens, September 21, 1908.

IN conformity with the instructions contained in your despatch No. 4, Africa, of the 10th instant, I pointed out to the Greek Minister for Foreign Affairs that the Greek community, whose institution it was hoped would relieve the British Legation at Adis Ababa of some of the embarrassments incidental to the protection of Greek interests, had ceased to exist. I inquired what steps the Greek Government were taking with a view to the appointment of a Greek salaried Consular officer at Adis Ababa.

M. Baltazzi replied that it had been decided to send an official to Abyssinia to make inquiries on the spot and to report on the sort of appointment that should be made. The Greek Consul-General at Alexandria would probably be selected for this mission.

I asked how soon this visit of inspection would be made, and his Excellency replied in November next.

I have, &c.
(Signed) ALBAN YOUNG.

[1557]

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[33022]

No. 220.

Sir Edward Grey to Sir J. Harrington.(No. 93.)
Sir,*Foreign Office, September 30, 1908.*

IN reply to your telegram No. 33 of the 23rd instant, respecting the protection of the southern frontier, I have to observe that, as you are already aware, the Lords Commissioners of the Treasury have sanctioned the salary and expenses of M. Zaphiro, the temporary Inspector, to April 1909.

By that date the Delimitation Commission should have been at work for some time, and it is probable that the Lords Commissioners of the Treasury will adopt the attitude that while the Commission is on the frontier it is possible to do without an Inspector.

Moreover, as soon as the Commission has finished its labours, which, I understand it is expected, will probably be in about a year's time, it will be necessary to approach the Treasury with regard to the scheme for the permanent control of the frontier.

If, in view of the above considerations, you still remain of opinion that it is desirable to obtain an extension of M. Zaphiro's services in his present capacity, I would request you to furnish me with any considerations which might serve as a basis to an appeal to the Treasury with regard to the matter.

I am, &c.
(Signed) E. GREY.

[34155]

No. 221.

Mr. Graham to Sir Edward Grey.—(Received October 3.)(No. 11. Africa.)
Sir,*Cairo, September 26, 1908.*

I HAVE the honour to transmit herewith an interesting Report by Mr. C. H. Armbruster, which has been communicated to me by the Acting Governor-General of the Soudan, on his recent journey in Abyssinia.

I propose, with your approval, to request the Soudan Government to thank Mr. Armbruster for the valuable information which he has supplied.

I have, &c.
(Signed) RONALD GRAHAM.

Inclosure in No. 221.

Mr. Armbruster to Major Phipps.

(Secret.)

I HAVE the honour to submit a Report on my recent journey in Abyssinia. I have subdivided it as follows:—

(A.) General, pp. 1 to 11.

(B.) Political (Secret), pp. 12 to 34.

(C.) Topographical, with three maps.*

(A.)—GENERAL REPORT ON MR. ARMBRUSTER'S JOURNEY IN ABYSSINIA, 1908.

- | | |
|---------------------------|--------------------------------------|
| 1. Outline of journey. | 11. Equipment, stores, and supplies. |
| 2. Trade prospects. | 12. Transport. |
| 3. Market prices. | 13. Roads. |
| 4. Currency. | 14. Servants and camp followers. |
| 5. Gallabat customs. | 15. Arab battalion escort. |
| 6. Purchase of mules. | 16. Health. |
| 7. Presents. | 17. Insects. |
| 8. Slavery. | 18. Botany. |
| 9. Religious matters. | 19. European writers on Abyssinia. |
| 10. Condition of natives. | |

* Not printed.

1. Outline of Journey.

I left Khartoum on the 12th January, and proceeded by way of Wad Medani, Mefaza, and Gedaref to Gallabat, spending a few days at each of these places, making arrangements about transport (see "Transport").

Leaving Gallabat on the 15th February, I proceeded to sketch the route towards Chelga, but, owing to failing health (see "Health"), abandoned this work after carrying it as far as the Gandoa Valley, and on the 27th February took the direct track to Lake Tsana, which I reached on the 8th March at Delgie. I then proceeded to Chelga, which I reached on the 13th March, and sketched the country from there to Gondar, thus connecting my work of last year with that of Parker Bey, which joins Gallabat to Chelga. This occupied me till the 8th April, when I left for Debra Tabor, which I reached on the 17th. After several interviews with Ras Guksa, I left on the 20th, and crossed the Blue Nile by the first bridge on the 28th. On the 5th May I reached Mota, and on the 13th Debra Work, on the 18th Bitchana, and on the 23rd Debra Markos, where I was received by Dejazmatch Siyyum, Governor of Godjam, and Ras Worki, who also resides there. Leaving on the 25th, I reached Dembetcha on the 29th, and Bure, the head-quarters of Ras Mangasha, on the 4th June. I did not meet Ras Mangasha (see "(B) Political Report"). I reached Dangila on the 10th June, crossed the Belessa on the 14th, and, traversing the Gimz country, reached the Soudan frontier on the 28th, and Roseires on the 1st July. Thence I left by steamer on the 3rd, and reached Khartoum on the 10th July.

2. Trade Prospects.

I have to add to my remarks under this heading last year that I have arrived at the further conclusion that we cannot look for much increase in our trade with Abyssinia so long as that country remains under the present régime.

The only step to promote trade which I consider feasible at present is to endeavour to push the matter of the new currency (see "Currency").

The following instance will, I think, explain the situation better than any general remarks:—

While I was waiting at Bure I was visited by two Armenian brothers named Astikyan. They were merchants from Khartoum North, who had, they said, joined the caravan that went to Dunkur early this year under Mr. Walker's auspices. They took with them eight camel-loads of goods. They waited at Dunkur until Mr. Walker returned to the Soudan, by which time they had still done next to no business. They then sent four camel-loads to Gallabat, and, placing the other four on donkeys, started for Bure, which it had taken them fifteen days to reach. They had had to pay customs so many times and give so many presents as they came along that by the time they arrived at Bure they had expended 25 per cent. of their goods. Ras Mangasha, they said, had sent a message to Dunkur inviting them to Bure, and saying that if they did not sell their goods as soon as they arrived he would take them over himself. On their arrival in Bure he at once sent officials to ask what presents they had brought him. One of them went with 50*l.* worth of rugs, cloths, &c., and tried to obtain an interview. The presents were taken in to the Ras, who sent out to say he would see the bearer in a day or two. The day or two had now spread into several weeks, and he still put them off, saying, at first, he was too busy to attend to them, and, latterly, not making any excuse at all. Meanwhile, as at Dunkur, they had done next to no business, their cash takings consisting largely of salt (see "Currency").

On their asking my advice, I said they had the choice of returning with me or remaining where they were for five or six months, as the rivers separating them from the Soudan would soon be impassable. If, therefore, they were coming with me they must come at once. This, I thought, would be their wisest course.

I considered very carefully whether any good was to be done by interfering between Ras Mangasha and them, and came to the conclusion that I should effect nothing but a considerable waste of time. I should not be able to make him restore the goods he had exacted from them as presents; nor could I make him buy their stock at a fair price.

It was clear that he ought to have done one of the two; it was equally clear that he meant to do neither; neither had I any power to force him to do either.

The Astikyans could not show me any written promise from him; he appears to have sent them a verbal message, and if I embarked on discussions with him his

subordinates would of course be prepared to swear to anything that suited the attitude he might choose to adopt.

The only step, therefore, that I took was to send him a verbal message through Dejaz Yemr to the effect that this Government would be informed that he had received presents from these merchants, who were, by no means rich, and that the Government would wait with interest to hear from the merchants what assistance they had received in return from the Ras.

From what I told them about Godjam they seemed inclined to push on there, but I said definitely that I could not advise them to do so, and what they finally said was that they would very shortly follow me back to the Soudan.

3. Market Prices.

The following are some specimen prices in dollars:—

Item	Dollars.	Item	Dollars.
Ifag, Wednesdays (April)—		Bitichana, Mondays (May)—cont.	
Pony	7	Coffee, 10 lbs.	1
Mule	43	Wheat, 10 bushels	1
Bull	11	Donkey, female	7
Sheep	1½	" male	5½
Barley, 6 madigga (bushels)	1	Sheep, large	2
Mota, Thursdays (May)—		Cow	20
Bull	15	Sunshade, native	½
Coffee, 9 lbs.	1	Mule, best riding	40
Donkey	7	Jano (native cloth with red stripe)	4
Goat	½ to 1½	Shama (native cloth, plain)	2
Calico (Abu Gedid) 4½ yards	1	Debra Markos, Saturdays (May)—	
Mule	26	Sheep	½ to 1
Horse	7	Horse	9
Barley, 8 bushels	1	Donkey	4
Bitichana, Mondays (May)—		Cotton, unginned, 6 kilog.	1
Bull	13	Dembetcha, Mondays (June)—	
Goat	½ to 1½	Milch cow with calf	30
Horse	7	Bull	20
Decanter	¼	Mare	10
Calico (Abu Gedid), 5 yards	1		

4. Currency.

In no districts visited this year did I find any currency in use other than the Maria Theresa dollar, salt, and cartridges. I discussed this subject at length in my 1907 Report (pp. 42 to 44), in which I said: "I take it to be self-evident that retail trade must benefit considerably by the uncouth and unweildy salt currency at present in use being superseded by one of a more portable and convenient kind. As it is proposed by the Bank of Abyssinia to effect this,* and as it will be to the advantage of our trade that it be done, I would suggest that inquiries be addressed to the bank to ascertain what steps, if any, are being taken or contemplated by them to promote the circulation of their coinage, especially of small change, and that, if possible, a supply be obtained for Gallabat, Gedaref, &c.

No steps have been taken by the bank in the districts traversed, or, as far as I could ascertain, anywhere else.

Ras Guksa, who had recently arrived from Adis Ababa when I met him, had heard nothing of any new coinage other than that manufactured in France before the establishment of the Bank of Abyssinia. He gave me specimen pieces of 1, ½, and ¼ dollar, which I have deposited in the Khartoum Treasury. He agreed that it would be an excellent thing for the country to have a coinage similar to that of civilized countries, and said he would do all he could to spread its use in the event of it being introduced.

At the end of last year a sum of £ E. 438 nms. 631 had been sent to him by the Inspector, Gallabat, as the Abyssinian share of the Gallabat customs, for six months. These payments had been made hitherto in Maria Theresa dollars, but this sum had been forwarded in Egyptian silver. He begged me to request the Government to exchange this for dollars, and in future to continue their payments in dollars. The only thing he could do, he said, with Egyptian silver would be to melt it down for ornaments. When he had tried to sell it the best offer was 1 Maria Theresa dollar for P. T. 30 in Egyptian silver. I replied that I would transmit his request, but I warned him that, so far as I understood the policy of the Government on this point, it was not their inten-

* They have the coinage monopoly.

tion to import any more dollars from Europe, and that, consequently, it was probable that they would not be in a position to grant his request. I asked him whether he would like the sum paid in the Bank of Abyssinia's coinage, should that be obtainable, and he said that most certainly he would.

This, in my opinion, is a matter well worthy of the Government's most serious consideration.

I wrote last year (p. 43):—

"The expansion of that (Kassala-Abyssinian) trade has been greatly assisted by our importing dollars in former years, and in fact may be said, I think without exaggeration, to be practically due to, and dependent on, our doing so."

There have been long discussions on the subject which have gone to swell the Minutes of the Central Economic Board, and it was decided, I understand, not to import dollars. At the same time I also understand that the Inspector-General, when at Gallabat, urged the dispatch of some dollars to that place, and that they were sent, in spite of the decision arrived at by the Board. Also, when passing through Gedaref and Gallabat last January, I was approached by numerous small merchants, who begged me to urge the Government to reconsider their decision. In other words, the decision arrived at, though it is in my opinion a sound one from a Government point of view, is nevertheless only a postponement, and not a solution, of the problem involved. That problem may be briefly stated thus: We invented trade with Abyssinia by taking certain steps. After taking them annually for some years, we say, "We wish this trade to continue, but we have decided to discontinue taking these steps, for they are economically unsound."

The numerous petty traders who were, so to speak, called into existence when we took these steps know nothing of economics, nor, of course, if they did, could they be expected to take the Government point of view instead of their own. The question is: What are we going to do instead? If we do nothing, we have on our hands these traders with a grievance, and may anticipate that the dollar question, which by now may be perhaps not improperly described as a nuisance, will be perpetually cropping up.

The trade in question is indeed very small; the traders also, as I have said, are also small, but they are numerous, and have what in their eyes is a legitimate grievance.

We now have in Ras Guksa's request for dollars another indication that the question which I have ventured to characterize as a nuisance bids fair to become a recurring nuisance. If we mean to suppress it, I submit that the best course is, *facta non verba*, to take action first, and consider the abstract economic bearings afterwards. I therefore beg to repeat the suggestion, quoted above, about obtaining coinage from the Bank of Abyssinia.

5. Gallabat Customs.

In the course of one of my interviews with Ras Guksa we touched (see "Currency") on the subject of the payment of one-half of the Gallabat customs to the so-called "Abyssinian Government." I have dilated elsewhere (see "Menelek's Authority," &c.) on the deceptive nature of any term of this kind. Ras Guksa made no secret of the fact that the sums paid were received by him and went into his chest. I did my best to explain to him that we paid them to the "Abyssinian Government," and that they were handed to him as the local Representative of that Government.

I pointed out that conceivably circumstances might arise in which we might pay these sums direct to Menelek—in the event, for instance, of Menelek asking us to do so. He was much disturbed at this. He admitted then that the original arrangement had been between Menelek and the English. "But," he said, "the Emperor gave me (these customs) to me at the time and has forgotten about it." "Well," I said, "if the payments were made at Adis Ababa, no doubt the Emperor would send the money to you." "Not one dollar," he replied, with an uneasy smile, and proceeded to urge me to make this clear to his Excellency the Governor-General.

6. Purchase of Mules.

Gabriel Buktör (see paragraph under that heading) told me that if he were given, say, two months' notice he could buy at least fifty mules a-month at 40 dollars each, payable in advance, and could arrange for their dispatch to Gallabat. He would not say at what price he would deliver them at Gallabat. He also said, in the course of another

conversation, that, if the number required were not large, he would prefer the price to lie to his credit in the Khartoum Treasury. In view of the local cost of mules (see "Market Prices"), I should think that, were a definite offer made to him for a large number, he would be inclined to deliver them at Gallabat at even less than 40 dollars. In any case, the Departments interested in buying mules may consider it worth while to communicate with him c/o Michael Birru, Interpreter, British Legation, Adis Ababa.

7. Presents.

One of the commonest and most unpleasant traits in the Abyssinian character is an inordinate spirit of acquisitiveness, if not of avarice; and much that would otherwise be pleasant in the traveller's intercourse with natives is vitiated by the fact that they are, generally speaking, a nation of beggars. I discussed this matter in my 1907 Report (p. 27); but my experiences this year render it desirable, I think, that I should add a few remarks on a particular phase of this subject.

To refuse a proffered present is not easily effected in any society without hurting the feelings or pride of the would-be donor. In Abyssinia it is tantamount to an affront should one refuse a present from a superior; if the refusal is on the part of the superior, it is an expression of grave displeasure with his inferior. There is not, to my knowledge, any middle course possible, compatible with native ideas of decorum, by which a present may be declined in a polite and friendly manner. The traveller is, in consequence, unless he is prepared to ignore opinion, bound to accept whatever is offered to him. Now, just as it is incumbent on him to accept all presents, whether he wants them or not, so also it is expected of him that he will lose no time in making a larger present in return. One is continually embarrassed by all sorts of useless presents being bestowed on one by all sorts of persons.

An old woman, for instance, in Tankal once brought me a couple of stale eggs, and it transpired that she expected me in return to cure her paralytic daughter. I ultimately adopted an arrangement whereby all bearers of presents were interviewed by a Board composed of the Onbashi of my escort, my chief Abyssinian driver, and my cook, a Dongolawi with a good notion of market values. They used to report to me the arrival of all presents, and furnish me with an estimate of their value. I would then instruct them to give the bearers about 20 or 30 per cent. in cash more than the value of their present. If the present was worthless, such as, for instance, a sick animal brought for slaughter, they would reject it. If the present consisted of several objects, such as fowls, eggs, milk, native bread, and drinks, borne by the slaves of the owners, they divided the money between the slaves while I was receiving the owner in my tent. Such money was usually collected from the slaves by their owners before they were out of sight of my camp. When I stayed more than a day in a place, the local Chief, if he had already brought a present and found he had to deal with the Board, would often bring a second present and make a determined effort to hand it to me personally, in the hopes of extracting a much larger return. But I evaded such efforts, naturally preferring to keep the watches, hats, and other objects I had brought with me for presentation in cases where they were really deserved or I considered it advisable to bestow them.

This insidious manner of begging I found very widely practised in those parts where Europeans had traversed the country before me. A characteristic case occurred when I arrived at Mota, the first village I came to in Godjam. I gathered that the Chief, Malaka Gannat, belonged to the clergy, was able to read, and was more or less a responsible person. I accordingly sent him the Emperor's letter, with the usual message that I required nothing but a guide, who would be paid for his services. He replied by sending me two pots of native beer and a little native bread, which I paid for, as usual, through the Board, and promised to send me the guide shortly. When sending him my acknowledgments, I added further inquiries about the guide, saying that I wished to make an early start the next day. He replied that the guide would sleep in my camp that night, but no guide appeared. The next day he came himself to my camp before dawn with a sheep, but no guide. When I was informed of this, and that he was making inquiries as to whether I was not really a merchant, and what goods I was carrying, I declined to discuss accepting the sheep (value 1 dollar) or even to see him until the guide was forthcoming, whereupon he withdrew, taking the sheep with him. As soon as my caravan was ready to start, I took two of my escort and rode up to the church near which I understood he lived. I found his establishment in the

centre of a cluster of indescribably filthy and tumble-down hovels, and sent in word that the guide had still not appeared, and that I was myself outside and desired to see him before starting. I must admit that I was by now prepared to give him, if I may use the expression, a piece of my mind. But I reflected that no good was likely to come of an interview, and, as in fact he precluded the possibility of our having one by failing to come out to meet me, merely sending out to say that he had no guide to give me, I rode on without seeing him. He had of course, in the first instance, been annoyed by my tactics of paying for his first present, and when he came himself his object was to give me the sheep in person. My refusal to accept it almost amounted, technically speaking, to an affront; it was, at any rate, an open manifestation of displeasure, and made him realize that he personally would get no present from me. He accordingly refused to supply the guide, which I had made it abundantly clear was the only thing I wanted (see "Menelek's Authority").

8. Slavery.

I have nothing to add to the remarks on this subject in my 1907 Report (p. 26), except that I constantly heard of the transfer of slaves from one owner to another. The buying and selling of slaves in open market, as I said, has been stopped by Menelek, but nevertheless every slave continues to have his market value. At Galaudewos, in Beigemder, I was buying a manuscript Ethiopic psalter from a learned man, Mulugyeta (= full graduate) Agannyehu. The bargaining I left in the hands of my cook, who finally bought it for half the price originally asked.

The owner's opening argument as to the value of the book was that if he presented it to a patron the latter would give him a young slave worth 80 dollars. The inference was that the book was worth 40 dollars (see "Presents").

Slaves are said to be very cheap and plentiful in Shoa to-day.

9. Religious Matters.

The Abyssinian is not religious in our sense of the word; but he is very superstitious and a staunch religionist in the sense of a bigoted and affected observer of religious practices and forms. He looks to the letter, not the spirit, of his faith. Experts describe his form of Christianity as debased, but an examination of that question would be beyond the scope of this Report. The important point for the stranger to remember is that to the native mind the form is all-important, and anything like an argument on the subject is to be avoided.

I visited numerous churches this year, and will briefly describe a visit to the most interesting that I saw—that of Mariam at Debra Work. This church contains numerous pictures. The older and more interesting pictures are at the back of the church (the east side). These are in a somewhat dilapidated condition, but depict a very great variety of scenes from Biblical history and tradition. A remarkable point is the way in which the native artist depicts objects he had never seen, such as a chariot. The picture shown with the greatest pride is a Madonna, on the west side, before which are suspended several curtains. It is in good condition, but comparatively new, a conventional figure of little artistic interest. The pictures on the east side have much more life in them.

The traveller should bear in mind that, from a native point of view, his visit to a church is an act of devotion. That he should visit because of its historical or artistic interest is quite unintelligible to the native mind. He is admitted as a professing, if ill-informed and doctrinally misguided, Christian. It is the custom of Abyssinian Christians to bow to a picture of the Madonna, as Catholics bow to an altar, and the visitor will do well to show it some mark of respect in consideration of their feelings, if from no convictions of his own. Should he object to doing so, his best course is not to visit the church.

I was received by a large crowd of priests at the church described above, and was somewhat embarrassed by their chief, a venerable old man named Mamhir (= professor) Ingida, pausing at the church door and asking me before the whole assembly how many natures there were. I was aware that the monophysite controversy had been, and to some extent still is, a burning question in the Abyssinian Church; unfortunately I could not at the moment remember which was the orthodox view. I therefore evaded committing myself by answering that I had not come to teach, but to learn, which reply fortunately satisfied him. I may mention here that, whereas the clergy, in

general, know that the European is a Christian of sorts, the average raw countryman often believes that we are Moslems. I gathered that this was so for the following reasons:—

(a.) Because we have Moslem servants and soldiers. The idea that the Italians in Eritrea are Moslems is particularly widespread.

(b.) Because we wash and bathe ourselves daily, which is regarded as a Moslem practice.

(c.) Because we eat meat slaughtered by Moslems.

(d.) Because we do not wear a "matav," or cord of silk worn round the neck. Every Abyssinian Christian wears this in a prominent position, and never removes it night or day. It often has a cross suspended on it, and equally often an ear-pick, a pair of tweezers for removing thorns or splinters, or a snuff-box. The European neck-tie is sometimes regarded as a "matav," especially if made of black silk; but the wearer destroys the illusion by taking it off.

(e.) Because we do not, like Abyssinians, camp in the middle of their filthy villages, but select isolated camping-grounds.

(f.) Because it is reported that the English have built a large mosque at Khartoum and no church.

I might add here that I met with several natives who seriously believed I was capable of making silver (many of the dollars I had with me being new ones), and that all sorts of obviously hopeless medical cases are brought to one, e.g., one is asked to restore lost limbs. On one occasion I was asked to cure a cow of sterility.

10. Condition of Natives.

"The architecture of every nation," it has been truly said,* "is an essential part of its history, and reflects the aspirations and vicissitudes of its people." According to this index Abyssinia has sunk about as low as is, I suppose, possible for any nation that has ever had any pretensions to civilization of any kind. The mass of the population live in squalid hovels far meaner than any Soudanese village. Even the Gimz, naked savages as they are, build neater huts than the inhabitants of the plateau. Their churches are usually only larger hovels, equally filthy and tumble-down. Inside their huts they have no furniture. Bedsteads are almost unknown. The native sleeps on a skin spread on the ground. Fowls and goats often share his hut with him. I need not therefore attempt to describe its sanitary condition.

The more one sees of this country the more the fact is impressed on one that it is in a decadent state. Various industries, such as weaving and building, and arts, such as painting and calligraphy, which were formerly widely practised, and had attained a degree of some excellence, have now been either lost altogether, as may be said of architecture and calligraphy, or have, like painting, become very rare, or, like weaving, have been reduced to what bare necessity dictates. Every male that one sees has in his hands either a rifle or a stick on which he leans, but never a stool. The profession to which most young men aspire is the military, in which there is no drill or discipline. The Abyssinian soldier is a licensed loafer (see "Military Affairs"). The women form the working half of the population, and of course most manual labour is performed by slaves.

I will not touch on morals, which, in my opinion, usually require years of study before one can appreciate or describe them, beyond noting that what we call lying and deceitfulness are as universal in this country as elsewhere.

"Keeping up appearances" is a common cause of this, etiquette playing a large part in native life.

Drunkenness is exceedingly common; cleanliness is rare, and in the vulgar mind often suspected as a Moslem habit.

With all this, the Abyssinian has an uncommonly good opinion of himself, the clergy fostering the Hebrew idea that they are the Lord's chosen people. He is also, in many respects a savage, by no means to be described as a creature of few wants (see "Presents"); but in this he has no sense of proportion, his idea being to acquire everything in return for nothing, or to approach that ideal transaction as closely as possible.

* Ditchfield, "English Gothic Architecture," p. 1.

11. Equipment, Stores, and Supplies.

All stores and equipment should be taken from Khartoum (Cairo, England). One must not expect to find much worth buying, from a European's point of view, in the little shops kept by Greeks at Gedaref or Gallabat; e.g., the Greek at the latter place last January was "out" of tumblers, candle-glasses, soap, and lime-juice.

At the Abyssinian markets one can get no European stores.*

I gave a list of native supplies in my 1907 Report (p. 53), to which I would add—

Potatoes ("Dinnitch").—Occasionally; and

Butter ("Kivie"), which is often to be bought on the high plateau. One's servant must see that it is fresh and clean (I met with it frequently in Beigemder and Godjam, and found it quite edible, though I have never been able to face Soudanese butter); also

Flour ("Dokyet").—Made from wheat ("sindie"). One has to wait while it is being ground. It is coarse, but, in my opinion, preferable for that very reason to the over-ground Russian flour of the Soudan;

Honey ("Mar").—Generally full of dead bees and other débris, which can, however, be removed. See that it is not drugged with "gyesho" (see "Health").

I would add to my last year's remarks on outfit that plenty of borax should be taken for sore eyes, a common complaint on the plateau; also insect powder and fly-papers (see "Insects").

12. Transport.

The traveller's baggage should, if possible, be made up into loads not exceeding 50 lbs. each. This will enable him to rely, if he wishes, entirely on donkeys for his transport, and to render himself independent of mules, which are expensive and troublesome.

I refer, of course, to Abyssinian, not Soudanese, donkeys. The latter are much stronger, but not suitable for mountainous country. The former can be bought in Gedaref at P. T. 120 to P. T. 150, whereas a good mule costs 6*l.* or 7*l.* there.

As for giving trouble, the donkey confines himself, on the whole, to braying—which may be obviated by selecting females—and occasionally tumbling down on the march, while the mule is capable of a variety of mischievous and destructive antics, which it is beyond my power to describe. I have seen a mule, generally a quiet and steady animal, take fright at nothing, kick and lay out three drivers in as many seconds, then gallop about among trees till she had smashed and cast her loads, and finally bolt out of sight. A performance of this kind to be thoroughly appreciated must be witnessed when one is several weeks' journey from civilization; and when the baggage confided to this hitherto docile animal includes fragile and irreplaceable articles, such as candle-glasses, bottles, &c., such experience leads one to the conclusion that mules should only be used for the transport of heavy and (if one may use the term in this country) unbreakable articles.

As regards saddles, the mule-saddles sold in the Government stores presuppose that the load will be divided into two, half being slung on to each side of the animal, as one may see mules laden in Greece, Spain, &c. The Abyssinian saddle is nothing more than a pad placed on the animal's back, and has no girths. Their method of loading a mule or donkey is to place the whole load on top of the saddle and pass long leathern thongs several times over the load and under the animal's barrel, until all is tightly strapped on. These thongs are of cowhide, about 15 yards long and 1½ inches broad (Amharic "matchanya," the "riem" of South Africa), and are far stronger and more durable than any rope usually obtainable in this country.

By the Abyssinian plan, then, the load is treated as we treat a riding-saddle, and girthed on to the animal, the Abyssinian saddle's function practically corresponding to that of our numna. Whatever the defects of this method, it is the only one that Abyssinians understand and to which Abyssinian mules are accustomed; and animals so laden negotiate the steepest ascents† and descents‡ with remarkable success, as there is no slipping of the load. Also they pass between trees and along mountain ledges with much less chance of injury to the loads.

Another consideration is that an Abyssinian saddle is to be bought at from 3 to 4 dollars, as against about four times that price for the Government pattern (with numna). The thongs cost P. T. 6 to P. T. 7 at Gallabat.

* I once obtained some Italian matches at Gondar.

† Amharic "akavat" } Soudan, Arabic "mintik."
‡ "kwulkwulat" }

The donkey-panniers sold in the Government stores are too large for Abyssinian donkeys to carry a pair, but fit Abyssinian mules very well.

Grain should be carried in cowhide skins (Amharic "akumada"); sacks only last a few weeks.

13. Roads.

I have endeavoured in this Report to avoid as far as possible repeating what I wrote last year. I saw many of the things noted there over and over again this year; e.g., as the rains came on, all tracks being ploughed up if they happen to cross a piece of ground selected for cultivation (see 1907 Report, p. 16).

In connection with roads, I would mention that traces of those made by the Portuguese are still to be seen in the neighbourhood of Gondar, and of those made by Theodore from Beigemder into Godjam. He, I believe, repaired the remains of Portuguese roads. He was intelligent enough to see that rapid movements of troops depended on the existence of roads, and to realize the military value of such rapid movements. "Abyssinia," says Professor Hoelcke,* "with its Alpine ranges and deep erosion valleys, which put a stop to all intercourse during the rainy season (our summer), is not fitted by nature to be a single State with effective administration from a single centre."

The fact is the Abyssinians object to the construction of roads. I heard that a European engineer, sent by Menelek to Simien, proposed to make some improvements near Nchet Kâb, but that Dejaz Gassessa put so many obstacles in his way that he had to return without effecting anything.

In this Dejaz Gassessa had the support of the local population, who said, "If this road is improved it will be all the easier for the Moslems and heathen to come up and attack us."

14. Servants and Camp Followers.

The question of servants and drivers is a difficult one. Men taken from the Soudan are more trustworthy than natives, but they are not inclined to come far into Abyssinia, expect higher wages there, suffer from the cold, and if they go sick become impediments which one may have to transport for months, and their usefulness is curtailed by their ignorance of the language.

Blacks are unwilling to enter a country where it is an axiom that all blacks are slaves and their social position is precisely that of the mules or donkeys they drive.

One is therefore bound to hire a certain number of natives as one goes along, and one must be prepared to spend a good deal of time and patience in composing the quarrels that arise between them. Abyssinian Christians quarrel, of course, with Moslems from the Soudan, and quarrel equally readily among themselves.

My experience of Abyssinian Moslems is that they are best left alone, as being even more troublesome than the Christians. It is also fatal to peace to introduce a "Qimant" (quasi-Christian) or "Falasha" (Jew) into the camp, as these are regarded as unclean by everybody, and everything that goes wrong is attributed to them.

When I first began to travel in Abyssinia I insisted on having no camp followers. This, however, I found impracticable. The Abyssinian seems to require a woman to prepare his food (according to Bruce he used to require a woman's assistance to eat it). Women also bring drink of various kinds to sell. Also, in a country where travelling is not safe, it is natural that weak or unprotected individuals should attach themselves to a caravan proceeding in the direction they wish to pursue.

My plan was to place all animals and equipment on charge and have periodical inspections; then, if anything was missing, the individual responsible had to replace or pay for it. As regards women, I informed each individual when I engaged him that if he contracted venereal disease he would be paid up to date and dismissed wherever we might be; that this might also happen to him if found drunk during the day; that if any complaints were made to me by inhabitants about women having been ill-treated or cheated I should take the inhabitants' side and satisfy their claims out of the accused's pay, without listening to his side of the case, or, if a native Ruler were at hand, should hand him over to that Ruler, in whose hands I should place whatever pay was due to the accused. These arrangements saved me a good deal of trouble. Frequently, when on the march, I observed a crowd chiefly composed of

* "Sketches from Eastern History," London, 1892, p. 259.

women, children, and old men accompanying my transport, often with animals of their own, but on the whole they gave me no trouble.

Native drivers are to be hired at from 10 to 14 dollars a-month, but they seldom work for more than three months.

15. Arab Battalion Escort.

I feel that I cannot report too highly on these men. Several of the members of my escort were Abyssinians, and it was interesting to compare them with native soldiers (see "Military Affairs")—with, that is, what they would have become had they taken service in their own country: the native soldier, lounging and swaggering about, his rifle, never cleaned, carried by a little boy, or even at times by a little girl, his manner insolent, his condition always one of dirt, often one of drunkenness; as against the Arab Battalion man, who somehow always looks smart, takes a pride in keeping his rifle clean, and so forth. It is unnecessary for me to dilate on that corps, which, as is well known, reflects the very greatest credit on its British officers. I understand from Garvice Bey that Abyssinians are not his favourite recruits; and I can sympathize with him, as the best men of those he provided for me were not Abyssinians, but Beni Amer. But the latter's ignorance of the language and style of country handicapped them very considerably; and I would submit that a point should be made, if possible, of always having a certain number of Amharic-speaking men in that corps.

I have explained elsewhere (see "The Gimz") why I consider a larger escort being advisable in the event of an official proceeding to Abyssinia.

16. Health.

I began sketching at Gallabat on the 15th February. This meant that I was on foot from dawn till about 10 or 11 A.M., and at work in my tent all the afternoon. After ten days' work I felt utterly worn out. I had fever every day. I took this to be due to the sun, which I felt very much. By the 27th I had plotted as far as the Gandoa Valley, where I found the heat insupportable.

I had the choice of making for the nearest doctor, which meant a ride of eleven days across very hot country to Kassala, or of pushing on up to the plateau. I decided on the latter course. The climb up was exhausting (it is quite impossible to ride up), but every 1,000 feet made an appreciable change in the air.

After three days at 7,000 feet I felt, as the phrase is, quite another man, and proceeded to Chelga, where I resumed my work. I finally abandoned sketching at Gondar for the reason that taking observations and plotting strained my eyesight too much, also that I had not time enough; but my general health on the plateau was good, except that I was frequently troubled, just when falling asleep, by an unpleasant shock or start—a sensation as if one's heart was stopping. I have described this symptom fully to Dr. Christopherson, and he considers it to have been probably due to poisoning of some kind. At the time I suspected my stomach, and tried knocking off various things, such as coffee, and gave up smoking, but with no effect.

The Abyssinians put all sorts of drugs into honey, milk, butter, &c., with a view to flavouring them. Thus I discovered that some honey I was using had been flavoured by leaves of a tree called "gyesho" (*ziziphus Mitis*, or *Rhamnus pauciflorus*?). I gave about half-a-pound of this honey to a Soudanese, and it made him quite drunk.

Again, they impregnate the vessels into which they milk animals with the smoke of a tree called avalo, which imparts what I consider a most unpleasant flavour to the milk, and renders it to a certain extent, I believe, intoxicating.

I therefore discarded honey and milk. There are also two native vegetables of which I abandoned the use, a broad bean called "bakyela" and a sort of pea or vetch called "shimbira." On eating some "bakyela" since my return to Khartoum the symptoms described above returned. I have sent a specimen of "bakyela" to Dr. Christopherson.

I have described the invigorating effect that going up to the plateau has on one; at the same time I would quote a remark of Mr. Winston Churchill on his journey in East Africa: "The exhilaration of the air must not lead people to forget that an altitude of from 5,000 to 8,000 feet above the sea level is an unusual condition, producing results not yet ascertained upon the nervous system, the brain, and the heart."

Yet one would suppose that doctors in India have by now arrived at definite conclusions regarding the value of hill stations

17. *Insects.*

Of big game I again saw nothing except in the country bordering on the Soudan. The naturalist, however, who is interested in entomology will find the country worth his attention. In the lower country I collected specimens of various biting ants and flies. On the high plateau every native is a generous host to numerous parasites such as fleas, bugs, lice, and intestinal worms of several kinds. Every traveller should be provided with large quantities of Keating's or other insect powder, and some vermifuge drugs.

I had an unpleasant adventure with some ants named "gindan," which Mr. King tells me are called driver ants. I was encamped on the Tul shortly after crossing the Blue Nile. One night I had blown out my candle and was just dozing off, when I felt some small insect run across my face. I brushed it off, but presently felt several more. I was suddenly awakened by being bitten all over. I struck a light, and saw that my tent was full of large black ants. They had invaded my bed, and were biting me head to foot like small hot irons. I dashed out into the night, and presently my servants brought out the bedstead. They picked this clear, and proceeded to pick these creatures off me. But these ants bury their heads in one's flesh, and prefer to be torn in half to relaxing their hold, with the result that I have some of their heads in my body now. Others made sores which lasted for weeks. The rain chose the moment of my expulsion from my tent to come down in sheets, and I lay cowering naked and numbed with cold and pain under a waterproof sheet till the morning.

These ants, if they attack an animal, *e.g.*, a donkey which is tied up, will kill it in an hour or two. They march in a dense column, and man and beast clear out of their way.

The flies are often as bad as in the Soudan. I recommend the "papier Moure" sold by Fleurent, of Cairo, for use in the tent. It is portable, effective, and does not, like "Tanglefoot," deteriorate. It also disposes of bees, wasps, and similar visitors.

18. *Botany.*

I have again brought down a collection of seeds, which I will not detail here. I propose to hand them direct to the Director of Woods and Forests. I also brought several rose plants and some paphia palms from Agaumder Plateau, which have been handed to Mr. Sillitoe. The rose from Gondar planted at Gallabat last year I found flourishing, which would seem to show that altitude does not really matter to this charming plant.

19. *European Writers on Abyssinia.*

In adding a brief note on this subject, I refer only to modern authors, both of books of travel such as Messrs. Wilde and Hayes, and of articles in magazines and newspapers, and not to the works of older travellers, such as Bruce, Salt, Poncet, and Rüppel, who wrote in other times for other readers.

My object is to warn the reader that, as far as I know them, these writers, valuable as their productions may be in other respects, have a general tendency to lead one to expect far more civilization in the country than in point of fact exists at the present day. They effect this mainly by a loose use of terms. Thus they speak of houses, roads, &c., whereas one may travel for months without seeing any dwellings but squalid huts and tumble-down shanties, and the roads are mere mule tracks of the roughest description (see "Roads" in my 1907 Report). The journalists write about Adis Ababa, and I know not what may exist there; but this kind of writer has told us with enthusiasm of the motor-cars of Sultan Abdul Aziz at Fez, and the question I would ask them is: "How long is the Adis Ababa civilization going to survive Menelek's death? Is it based on anything but the remarkable personality of that Ruler?"

The above remarks are not intended as literary criticism, which would be out of place in this Report, and I am aware that I have myself occasionally failed to successfully practice what I preach—have given, that is, by an insufficiently exact use of terms, too favourable an impression of what the traveller may expect to meet with in the country.

(B.)—POLITICAL REPORT.

(Secret.)

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| 1. Menelek's authority: the Imperial Ethiopian Government. | 10. Dejaz Siyyum. |
| 2. Military affairs. | 11. Bejriwond Asaggahan. |
| 3. Nogara. | 12. Gabriel Buktor. |
| 4. Dejaz Gassessa. | 13. Ras Mangasha. |
| 5. Ras Guksa. | 14. Dejaz Yemr. |
| 6. Dejaz Mashasha. | 15. Fitaurari Gassessa. |
| 7. Basha Yemr. | 16. The Gimz. |
| 8. The situation in Godjam. | 17. European prestige. |
| 9. Dejaz Gizau. | 18. Entertainment of natives. |
| | 19. Points requiring consideration for action. |

1. *Menelek's Authority: the Imperial Ethiopian Government.*

Throughout the country I traversed this year, as throughout that I traversed last, Menelek's authority amounts to little more than a nominal suzerainty—an authority, that is, of the most nebulous kind. Its academic nature may, perhaps, be not inaptly compared with the suzerainty of the Sultan over Egypt. The masses of the people, that is to say, know nothing of the Emperor except his name, and in enormous tracts of country, such as, for instance, the Gimz territory (see "The Gimz"), they do not even know that. It is true that the Ruler of each province is either an emissary or a nominee of Menelek, and this is true, in a few cases, of subordinate local officials, but these latter are the exception rather than the rule.

I was provided with two letters from Menelek, of which the following are literal translations:—

(A.)

"The victorious lion of the tribe of Judah, Menelek II, by the disposal of God King of Kings of Ethiopia. The bearer of this letter, by name Captain Armbruster,* a person of the English Government, will come from Metemma (Gallabat) and go through the Provinces of Ras Guksa and Ras Bitwoddad Mangasha to Roseires. As he arrives in each village, give him an escort from place to place. Let him go by whatever road he likes. Do not hinder him.

"Written at the town of Adis Ababa on the 5th day of Terr, in the year of mercy 1900.

"(Sealed with the Imperial Seal.)"

(B.)

"The victorious lion of the tribe of Judah, Menelek II, by the disposal of God King of Kings of Ethiopia. The bearer of this letter, by name Mr. Armbruster, a person of the English Government, is going with his party to make a map through the Provinces of Ras Guksa, of Ras Bitwoddad Mangasha, of Godjam, of Dejaz Demis, of Dejaz Gabra Igziavher, to the country of Ras Tasamma. Wherever he comes, in each place give him everywhere the best of guides. This work is being done for me. Escort him and assist him from place to place. This is my order.

"Written at the town of Adis Ababa on the 18th Yekkatit, in the year of mercy 1900.

"(Sealed with the Imperial Seal.)"

Now, as long as I was in the districts administered by Dejaz Mashasha, *i.e.*, Tankal, Chelga, and Sakkalt, I never once found it necessary to produce these letters. That official had received news from Ras Guksa of my coming; he also knew my name, as we had corresponded when I was Inspector in Kassala in 1903-6. He himself was at Debra Tabor when I arrived in his district, but before leaving he had issued orders that guides should be supplied and every facility for travelling afforded me. When, however, I had traversed his territory and began to proceed south of Gondar, I had the greatest difficulty in obtaining guides. I could, have course, have proceeded without them, but

* A complimentary mistake on the part of the British authorities at Adis Ababa.

in that case I should not have been in a position to compile route reports. The soldier whom he appointed to accompany me from Chelga to Debra Tabor was not familiar with the intervening country, and had no authority in it.

What used to occur was this: The guide who started with me from Gondar, a man named Tesemma, accompanied me for some 13 miles, when I camped on a stream named Atototeh. This, he said, was as far as he was really familiar with the country; it was the limit of his Chief's authority, and it now lay with the Chief of Bahri Gimb, a village lying about half-a-mile to the south-east, to supply me with a guide. So, having pitched our camp, I sent him with two of my escort, unarmed, and with Menelek's letter, to the Chief of the village, instructing them to make it clear that I desired nothing beyond a guide for the next day's journey, who would be paid at the rate of half-a-dollar a-day. After four or five hours' absence they returned, and told me that they had found the Chief in his house; that on their proceeding to read Menelek's letter he declared he was not the Chief, put his hands up to his ears, and rushed out of the house away. Tesemma asserted that this was the Chief, and that he knew him well. My Onbashi tried to make inquiries among the villagers, but they one and all, he said, bolted at the sight of him.

At last, however, he succeeded in cornering an old man who was too feeble to run, and ascertained that the man he had addressed as Chief really was the Chief. He then waited in the deserted village for some hours, during which he observed the Chief watching him from behind a tree. When evening began to come on he returned with his companions to report to me. Tesemma said the fact was that the Chief and villagers anticipated that I would requisition supplies and not pay for them, and that nobody believed my promises to pay guides. He personally knew that I should pay them, because he had seen me do it at Gondar, but he had never in his life seen it done before. As for Menelek's letter, this was Ras Guksa's country, and no orders had been received from him.

I felt the force of this remark; there is an Amharic saying, "I know not my master's master," and I was now witnessing a practical demonstration of its truth.

Finally I sent two of my drivers with Tesemma to try to hire a guide, which they ultimately managed to do, having fortunately fallen in with some friends in another neighbouring village.

The above farce, with variations, was reacted daily as we went along. Only in one case between Gondar and Debra Tabor was a guide supplied to me in virtue of Menelek's letter, and that was an accident. The local Chief came up while we were pitching our tents, under the impression that we were travelling merchants (he wanted to buy some cloth). I saw him, and, ascertaining who he was, invited him into my tent and entertained him. I found that the district we were in belonged to Queen Taitu, Menelek's wife, to whom this Chief was directly responsible.

I then produced Menelek's letter and read it to him. He began to make all sorts of excuses, but I assured him that the guide would not be taken more than one day's journey and would be paid, and that if he failed to supply a guide I should report him to Menelek. He finally went off grumbling, but promised to send a guide. The next morning an old man, hardly able to walk, presented himself; after examining him I came to the conclusion that he was suffering from rheumatism, senile decay, and, perhaps, paralysis. This was the promised guide. It is nowhere wise to look a gift horse in the mouth, least of all in Abyssinia; and if I rejected this guide I knew the difficulty I should have in obtaining one to replace him. I accordingly had him rubbed with Elliman's embrocation, gave him some hot coffee, and placed him on a mule, and he guided us as far as the next village. He was both surprised and delighted when I paid him and lent him the mule to take him home, and now proposed to guide me on these terms as far as Debra Tabor, but I declined his offer.

I met with the same treatment throughout the territory of Dejaz Gizau and that of Ras Mangasha, so that I eventually abandoned all attempts to make use of Menelek's letters, as their production only meant wasting time, of which I had none to spare; indeed, I found that when I suppressed them and sent to hire guides without mentioning the letters I had much less difficulty in doing so. The letters, so far from being of assistance, merely proved a source of both delay and trouble.

When I was at Tigdar Wonz, near the boundary of Godjam, I was overtaken by some messengers carrying letters from Ras Guksa to Menelek, and I availed myself of the opportunity to write and draw the attention of the British Minister at Adis Ababa to the uselessness of these letters unless special orders were sent to local Rulers from the Emperor. I believe that, as the result of these instructions, were sent to Dejaz Siyyum

and to Ras Mangasha, but in the former case they proved unnecessary and in the latter they were disregarded (see the sections headed by the names of those individuals).

When interviewing Ras Guksa, I told him of the difficulties I had experienced; but he merely replied that he did not know exactly when I was coming, or he would have sent orders about me. He appeared to take it as a matter of course that no attention should be paid by his local Chiefs to Menelek's letters.

In all probability the Emperor Menelek is fully aware of this state of things. He must, I take it, remember what his predecessor's authority was in Shoa, and no doubt regards any real assertion of his authority in outlying districts as impolitic, if not, at his time of life and in the present posture of affairs, impracticable. On these topics, of course, I am not in a position to speak, but if the British authorities at Adis Ababa wish for specific instances of local Chiefs flouting Menelek's orders, I would quote the following as three typical cases in (a) Dejaz Gizau's, (b) Dejaz Siyyum's, and (c) Ras Mangasha's provinces respectively:—

(a.) Zagayye, Chief of the Kworata, near the first Blue Nile bridge.

(b.) Malaka Gannat (see "Dejaz Siyyum"), Chief of Mota, near the second Blue Nile bridge.

(c.) Bilatta Dasta, of Kwakro, in Agaumdir.

Each of these Chiefs, after seeing the Emperor's letter and hearing its contents, deliberately refused to assist me in hiring guides. It is not for me to say whether these cases should be brought to the Emperor's notice; I can only say that if they are, and if the Emperor summons these individuals to explain their attitude, the way will perhaps be smoothed a little for future travellers.

So much, then, for Menelek's authority in the territories through which I have travelled. In regard to the Imperial Ethiopian Government, of which we read in the European press, I have to state that in these territories it simply does not exist. I have read in a serious newspaper of Decrees about education in the Ethiopian Empire promulgated at Adis Ababa, of Ministers for Education, for Finance, for Posts and Telegraphs, and Ministers with I know not what other portfolios. Whatever profound operations these personages may be effecting at Adis Ababa, neither they nor their works have ever been heard of in any part of Abyssinia I have visited. In the course of conversation with many individuals from different parts of the country I frequently inquired about these matters and met with nobody who knew anything of either Minister or Decree.

In regard to public works, it is true that I saw a telephone which is being constructed from Adis Ababa towards Gondar and has now reached Ifag (see "Route Report, Gondar to Debra Tabor"), and that I heard of repairs being carried out on the second Blue Nile bridge, near Mota, by a party of European artisans sent by Menelek.

If one considers education, this is everywhere still limited to the meagre instruction afforded in the elementary schools attached to churches, and aims at nothing more than a parrot-like ability to recite the Psalms in the Ethiopic version (see section 22 of my 1907 Report). I have met with a great many individuals who could read and write Amharic after a fashion, but with comparatively few who could read it fluently, and only three or four who could write it without continually making gross mistakes in spelling. I believe there are individuals in Abyssinia who have a tolerable acquaintance with Ethiopic; but I have searched in vain for a scholar in anything like our sense of the word, and can only indorse Prætorius' statement: "*Grammatica linguæ Æthiopicae a vitis domesticis doctis præcipue non est culta neque elaborata.*"*

In regard to finance, it is sufficient to note that the currency of the country is a single silver coin, the small change consisting of salt and cartridges; that the revenue is collected arbitrarily, and not on any fixed scale or system; and that there is practically no public expenditure except that on the army, all revenue going into the private coffers of local Rulers, who in some cases send a certain amount of tribute to Menelek. In no case are public accounts, as we understand them, so much as thought of.

Of posts and telegraphs I have never seen any trace. Mr. Hohler, when sending me my passes from Adis Ababa, does not seem to have bethought himself of the Ministry in charge of this Department when he writes: "I have had great difficulty in obtaining messengers to take this letter to Metemma (Gallabat); they are to receive 60 dollars (£ E. 7 mms. 200). In the Soudan this letter would have come the same distance for half a piastre.

When I add to this that nowhere in the country have I seen any constructed road,

* "*Grammatica Æthiopica*," p. 4.

bridge, or building of masonry (except those built by the Portuguese in the Middle Ages, now fast crumbling to ruin), that there is absolutely no public security, every wayfarer carrying a rifle if he can get one, and that there are no Law Courts worthy of the name, cases being tried by unqualified individuals without reference to any code or books (the "Fitha Nigist" or "Code of the Kings" seems to be practically a dead letter), just as I have seen cases tried among naked savages in Central Africa, I think I am justified in repeating my initial statement that outside of Adis Ababa the Imperial Ethiopian Government, to all intents and purposes, does not exist.

2. Military Affairs.

I have referred elsewhere to Abyssinian troops as a motley crowd; and one may add to this that they are often an unkempt, dirty, and evil-smelling crowd, the individual members of which are usually covered with nauseating unguents, such as rancid butter, or with disgusting parasites. But it must be said in their favour that they are rapid and silent in their movements (almost every Abyssinian invariably goes barefoot) and intelligent in taking cover. I am inclined to doubt whether the general average of marksmanship is as high now as it was, say, in the campaigns which culminated in the disaster of Adua. Many of the troops then engaged had fought previously against Egyptians or Dervishes or in internal wars, and in those days the number of men who had had some experience as hunters was considerable. But that generation is passing away. Menelek has, on the whole, kept the peace in Northern and Central Abyssinia during the last twelve years; the Shoans alone have seen some fighting with savages to the south and west of their country. Dejaz Gassessa, when Governor of Simien, used to keep his troops in training by hunting outlaws, whom he manufactured, so to speak, for the purpose (see "Outlaws" in my 1907 Report). As for hunting, the country has to a large extent been "shot out," the game retiring more and more every year to outlying districts, especially those lying along the Soudan frontier, which are, generally speaking, unhealthy, and so only visited with reluctance by the Abyssinian.

The number of rifles and amount of ammunition in the country is enormous. I began to compile estimates, but got into such large figures that I had to abandon the attempt. I can only say that certainly 80 per cent. of the able-bodied males have a rifle of some kind, as well as a bandolier, usually well filled. The rifle I saw most commonly was a French large-bore pattern marked "St. Etienne, 1878" (Gras?),* known as "Ujigra"; the Italian Wetterly, called "Watchafo," and the Winchester, called "Sinadir,"† are also common. But there is no lack of Russian and other French patterns, and I regret to say I saw many Martini-Henry, Lee-Metford, and occasionally other British rifles.

Cartridges, as I have stated elsewhere, are used as currency. These are often opened and earth or other material substituted for the powder, and a fair amount of the ammunition in the country must be old and probably faulty; but, even so, the balance of sound ammunition is enormous.

In *moral*, on the other hand, the Abyssinian troops are deficient. They have been so from time immemorial, and it is not to be supposed that their success against the Italians has cured them of this defect. Should anything happen to their leader, the rank and file, however well the day may be going, are paralyzed. So well is this known that there are special officers ("Lika Makwas"), whose duty it is in time of battle to wear brilliant uniforms resembling the Royal dress, in order that they may be taken by the enemy for the King, who, in general, is not allowed to expose himself.

And in spite of the conceited and bragging spirit one notes so frequently, I believe that a very considerable number of those who fought at Adua realize to some extent that they owed that success not only to valour but also to good luck. I do not believe that they would face European troops again with any greater confidence because of that success. They remember what formidable opponents they found the Italians before and on that day.

The generation that witnessed Magdala has almost passed away. But the memory of the Dervish ravages is still fresh, and that the British defeated the Dervishes is realized by most Abyssinians who live anywhere near our frontier.

It remains to be seen whether the future will produce any leader whose ability is at all comparable with that of Menelek. In the absence of such a leader the main difficulties of operations against Abyssinia would be those of transport and similar matters of organization.

* *I.e.*, "Fusil Gras."

† *I.e.*, Snider.

3. Nogara.

While I was at Gondar I was visited by Ali Wad Okasha, who was installed as Sheikh of Nogara in 1906 (in place of El Imam, who was imprisoned) by Dejaz Gassessa at Colonel Wilkinson's request. El Imam was restored by Italian influence, and had made life so uncomfortable for Ali that he was now on his way to complain to Menelek. I recommended him, if in difficulty, to go to the British Legation there, where no doubt they knew all about his case; but I refused to accede to his request for a letter to those authorities, as I saw no reason for my interfering in this matter.

4. Dejaz Gassessa.

I said in my 1907 Report (p. 23): "As a Commander and Ruler Dejaz Gassessa is feared rather than liked. I am persuaded that the inhabitants of [his territories] would one and all witness his overthrow with some composure. They consider themselves, and no doubt are, oppressed and overtaxed, and would welcome a change of Rulers."

This has now come to pass. On my return this year I found that Dejaz Gassessa was practically a prisoner at Adis Ababa, and that his territories have been placed under Basha Valatchau. (Basha is a comparatively low rank, and I should say this man is merely a stopgap.) I heard various accounts of how this came about, which I will briefly piece together here. Menelek, I was told, heard that Dejaz Gassessa was rendering his army very efficient by hunting outlaws, and that he was collecting as much as ten years' taxes from his subjects at a time and accumulating vast stores of supplies, money, arms, and ammunition at Makana Birhan. He also heard with great annoyance of his taking an Arab woman (El Ajiba) as his mistress. (This was one of the Abu Gulud prisoners; the affair is described in my 1907 Report, pp. 10 and 11.) The wife with whom Menelek had provided him, Woizero Nigist, daughter of King Tekla Haimanot, of Godjam (see "The Situation in Godjam"), infuriated at the introduction of this Moslem rival, returned to Godjam, and wrote a complaint to Menelek. Finally, the Italians complained to Menelek that this neighbour was becoming too powerful.

The Emperor summoned Dejaz Gassessa in a friendly manner to Adis Ababa, saying that he was sorry to hear he had had trouble with his wife, and he hoped he would be able to smooth matters. Dejaz Gassessa started for Shoa with some 5,000 troops, who "ate up the country as they went" (as I was told in parts of Godjam where I followed his route for some way). On his nearing Adis Ababa, Menelek sent and asked him not to bring a large retinue with him or there would be difficulties in feeding them. Dejaz Gassessa accordingly left his main body in Jarso, near the Blue Nile (Menelek afterwards sent and had them dispersed), and came on with a few followers.

Menelek received him in a friendly way, but soon began to question him about the various complaints, and said he was not satisfied with his answers. He sent another official to take over his provinces, divorced him from Woizero Nigist (to whom he made Dejaz Gassessa pay 10,000 dollars damages), and detained him at Adis Ababa till further notice.

I have already said that Dejaz Gassessa is an able and ambitious man. If he is still alive and able to escape with his life from Adis Ababa at Menelek's death, we shall doubtless hear more of him.

5. Ras Guksa.

The country north-west, north, and east of Lake Tsana, *i.e.*, the west-central districts of Tankal, Chelga, Armatchiho, Dembea, Belesa, and Beigender, are governed by Ras Guksa, son of Ras Wolye, who is Governor of the east-central districts of Lasta, Yejju, Wadila, Dilanta, and Hausa. Ras Guksa's western frontier approaches that of the Soudan in the district inclosed between the Gendwa and Gwang (Abara) Rivers, some 30 miles east of Gallabat. He is in reality our nearest neighbour at that point; the low-lying country immediately adjoining the Gallabat district, which is claimed by Basha Balatchau (Dejaz Gassessa's successor) and Ras Mangasha, is inhabited solely by beasts and wandering outlaws; the nearest parts of the plateau, Chaka, Armatchiro, Chelga, and Tankal, which may be described as inhabited and settled, belong to Ras Guksa.

He is a man of little over 30 years of age, of intelligent but, like many Abyssinians of good family, somewhat effeminate appearance. His pale complexion,

approaching in hue the yellow of the Egyptian fellah, contrasts oddly with his frizzled black hair, which points unmistakably to a Hamitic (probably Galla) and ultimately a negroid element in his blood. His personal manner is pleasant, though too naive and childlike, and his character is weak and vacillating.

He is, so to speak, the "spoilt child" of Menelek's system of local Rulers. He has had considerable intercourse with Europeans, both at Adis Ababa, where he is said to be a *persona grata* at Court, and also at his own head-quarters, which, occupying a central position, have lain on the route of many travellers; and he is keenly alive to the fact that valuable presents are to be obtained from them. I do not anticipate that much will be heard from him in future Abyssinian politics. He is not unpopular, but he is not popular either. To the mass of his subjects he is nothing but a name. He never travels about his district; in fact, he never leaves his inclosure except to go to church or to pay a visit to Adis Ababa. I do not think that he has any initiative or energy, and, should troublous times arise, he will probably, unless protected by his father, be easily disposed of by his opponents. We are his only European neighbours. He feels safe from us so long as Menelek lives, but is vaguely suspicious of our ultimate intentions.

His wife, Woizero* Zauditu (pronounced almost Zoditu), a daughter of the Emperor Menelek, is at least ten years her husband's senior. Her house and inclosure is quite distinct from his, though within the same stockade; she holds a little Court of her own, and has her own officials and functionaries, and collects the revenues and generally manages the affairs of certain districts of which she is the independent Ruler. From what I saw and heard of her she possesses, I should say, much more intelligence, firmness, and judgment than her husband.

I have described elsewhere (see "Menelek's Authority") the trouble and difficulty I experienced in proceeding from Gondar, which is approximately where I entered Ras Guksa's territory,† to Debra Tabor. I am of opinion that before my arrival at Gondar he had concluded from reports received about my baggage that I was bringing him either no presents at all (as was in point of fact the case) or, if anything, very much less than I took up to Dejaz Gassessa last year,‡ and in consequence either actually or ostensibly lost interest in my movements.

I made every endeavour to hire a messenger to take a letter to him, but without success, and I could not spare one of my escort for the purpose (see "Escort"). On nearing his head-quarters I halted some 2 miles off and sent word of my arrival, but my messengers soon returned to report that an escort was advancing to meet me; and shortly afterwards a motley crowd of about fifty rifles appeared, under the command of a junior officer.

As a beginning this failed to impress me favourably. The Ras ought, in the circumstances, to have come himself, or at the very least to have sent a senior officer, such as Dejaz Mashasha or Fitaurari Buseri, both of whom I knew to be at Debra Tabor. On the other hand, he had not, so far, received any message from me, so that it was within the bounds of possibility, though not those of probability, that he did not know who his visitor was.

As we approached Debra Tabor, I saw that it was nothing more than the usual Abyssinian village, an irregular cluster of squalid and tumble-down huts. On an eminence stood the Ras' inclosure, containing the only buildings in his province deserving the name of a house. This was surrounded by tents, huts, and cattle inclosures, all closely crowded together. My escort conducted me to one of these huts, around which ran a fence; the ground inside the fence was littered, as is usual in Abyssinian villages, with the accumulated droppings of animals, bones, and other garbage, and a gaping crowd of idlers gazed through it. This, I was told, was the residence of Kaniazmach (approximately Colonel) So-and-so when he came to Court, and had been selected as a residence for me by the Ras. Apart from the fact that the offal and flies rendered the place intolerable to a European, it would have been impolitic to accept a position which was suitable to a native official of the third or fourth rank. Accordingly I requested the official in charge of the premises to thank the Ras for his arrangements, and to inform him that they were not suitable for a British official, and then proceeded to look for a suitable camping-ground, which I found about half-a-mile on the other side of his inclosure.

* Originally "princess," but now applied to almost any Abyssinian woman of rank, as well as to the native or other wives and female companions of Europeans resident in the country.

† *I.e.*, that governed directly by him.

‡ I gathered later that he knew in detail what presents Dejaz Gassessa had received from the Soudan Government.

While the tents were being pitched another official approached, bringing a bull and a quantity of native bread and drinks.

This official was informed by the Board (see "Presents") that he had better wait; I by no means declined the presents; I had not been informed of their arrival; it was their practice, the Board informed him, to bring these matters to my notice after I had made the acquaintance of the donors, and not before. It was now about 10 A.M., and the next hour or two were spent in laying out the camp, collecting wood and water, examining transport animals, and so forth. I also sent two of my escort with Menelek's letters for the Ras' perusal. The official with the presents, after several fruitless attempts to obtain an interview with me, got tired of waiting, and returned to ask for instructions.

A little after noon Dejaz Mashasha and Fitaurari Buseri arrived with large trains of followers. I welcomed them into my tent, and explained my mission to them over friendly glasses of whisky, which they drank like water. When I inquired why I had not been properly met and received, they professed great regret, and said that of course the Ras thought it was somebody else. To ease matters I readily accepted this somewhat crude diplomatic fiction, and it was arranged that I should come to meet the Ras at 4 P.M.

At the appointed hour a small escort led me up to his inclosure. On reaching the gate I halted, and now an impromptu was played similar to that described in my 1907 Report ("Dejaz Gassessa, Personal Note," pp. 3 and 4), this time with variations and a scherzo.

Fitaurari Buseri came to the gate, and tried to induce me to enter. I said I should be delighted to do so when the Ras came out to meet me. He hurried in, and returned to tell me that the Ras would like very much to come out, but unfortunately he had been taken ill. I expressed my serious concern, and inquired into the nature of this illness which had been so suddenly contracted. After further consultation inside, he reported that nobody knew quite what it was, but that it was very serious and painful, and rendered the Ras' coming out quite impossible.

I then said that it seemed to me that, in these melancholy circumstances, a doctor would be of more use to the Ras than an official visitor, whose presence would most probably only aggravate his sufferings, and, sending him my profound condolences, I returned to my camp, where the unfortunate official with the presents was again in waiting. Towards dusk Dejaz Mashasha and Fitaurari Buseri again appeared, the latter bearing the following letter, which I read while they discussed a bottle of kummel:—

"Sent from Princess Zauditu, daughter of Menelek II, King of Kings of Ethiopia, to the Jininar [engineer?] of the English Government.

"How hast thou been keeping? I, thank God, am well. I am in great distress at the death of the Emperor's child Dejaz Wossan Saggad. When I heard of thy coming, I thought we should meet before thou wentest. But now they say thou hast gone back from the gate. The Ras has been ill for about five days. The pain is in his leg. If thou comest early in the morning thou wilt see his pain, and thou and I will meet each other, and there will be friendship between thy Government and us. The bearer of this letter is his Excellency* my uncle, the brother of my mother. Written on the 9th Myazya at the town of Debra Tabor, in the year of mercy 1900."

To this I replied later that night:—

"(After preamble and greetings.)

"I have received your Ladyship's letter. Does your Ladyship consider it fitting to ask a British official, 'How hast thou been keeping?' I will come to-morrow early, but, if the Ras does not come out to meet me, I shall not come in. This is not a matter of personal pride on my part, but because I have come here on official affairs, and my coming was arranged between the British‡ Government and the Emperor."

Meantime the two officials brought forward every plea and argument they could think of to induce me to believe in the Ras' illness and agree to go in without his coming out. They were interested to learn from me, after I had read his wife's letter,

* It is noteworthy that she refers to her uncle in terms of respect which she does not apply to her husband.

† For the impropriety of this style of address see my 1907 Report, p. 4, and in this Report, "European Prestige."

‡ "Soudan" would have conveyed no meaning.

that the seat of the trouble was in his leg. They were both pleasant old men, and as they found me at dinner we spent a sociable evening, talking on various subjects and every now and again returning to the argument in hand. At last, after the bottle of kummel and another of whisky had been disposed of, they came round to my point of view, and said they would persuade the Ras to come out even if they had to carry him out. Only, they said, I must come before sunrise, as the sun would have a baleful influence on his leg. I opine that the sun was in this case a synonym for the public eye. They were both tolerably sober when they left me, but to keep matters clear I gave them the following letter for the Ras:—

“(After preamble and greetings.)

“I will come to-morrow at dawn; but if you do not come out to meet me I shall not come in, but shall start for Madhera Mariam.* Please send me a guide according to the Emperor's order.”

The wretched official with the presents passed the night in my escort's tent.

The next morning I gave orders to strike camp, and, taking my escort, rode up to the gate, which I reached before sunrise, but not before a large crowd had collected, as, of course, the whole place was curious to see how the matter would work out. I had made it quite clear the night before that the discussion was closed, and that any attempt to reopen it at the gate in the morning would be the signal for my departure towards Godjam. After various attendants had made several ineffectual efforts to disperse the crowd, Ras Guksa rode out on a mule. He looked well, but ill at ease. I rose from my chair, saluted, and shook hands with him, then mounted my horse and rode in with him. He took me into his audience chamber and provided me with a chair (I had also, of course, had my own brought with me). I then sent orders for my party to pitch the tents again and remain where they were.

The conversation at first naturally centred round his supposed illness. I evinced the liveliest sympathy, and at last he went so far as to bare his leg for my examination, and I afterwards sent him some Elliman's horse embrocation and eau-de-Cologne to apply to it. (These remedies had the desired effect, for the same afternoon he was able to walk without difficulty and declared that the pain had almost disappeared.) We then approached other topics, the more important of which, discussed at this and succeeding interviews, I have touched on under their respective headings (see “Gallabat Customs”; “Currency”; “Invitations to Khartoum”).

I also explained to him how to use the alarm watches and rifles sent to him last year by his Excellency Slatin Pasha, with which he was highly pleased.

It will be sufficient here to say that, once the initial difficulty of my proper reception was disposed of, my intercourse with Ras Guksa was of a most friendly nature. One somewhat embarrassing matter indeed arose, which I will now proceed to describe, but this, as will be seen, was not his doing, and it was by his assistance that it was brought to a satisfactory conclusion.

I have mentioned above that I had to take exception to the style in which his wife addressed me. I did so unwillingly, and only because, after careful consideration, I found myself of opinion that in no circumstances should a European—at any rate, one who has any official status—allow himself to be improperly addressed by a responsible person in this country without protesting. This I consider to be his duty towards his race; I am convinced it is his duty towards his Government. There are occasions when one can ignore what is virtually an insult by affecting ignorance of the language, and this I invariably did when circumstances allowed. But in the present case such evasion was not practicable. Woizeru Zauditu's letter was of course written by a secretary at her dictation and doubtless its style and contents were known to a host of officials. I sent my reply in an unclosed envelope, with instructions to the messenger to deliver it to her husband in person.

After several hours' conversation I proposed that our interview should be resumed in the afternoon. Ras Guksa then said that his wife would like to see me, and I was conducted to her house. He did not accompany me. She received me in an audience chamber resembling that of her husband. I did not propose to refer to her letter, but after a few preliminary remarks of a general nature had passed between us she herself brought the matter up.

She said that she knew many Europeans at Adis Ababa intimately, and that she addressed them in this way as a sign of friendship. I said that were I a private

* On the way to Godjam.

traveller I should of course be prepared to enjoy an intimacy of this nature; unfortunately I had been sent by a Government, and letters addressed to me were addressed to that Government, which could not acquiesce in my being so addressed. “No doubt,” I said, “your Ladyship speaks like this to very intimate friends, but in this country one also speaks like this when issuing orders to one's slaves; and when your Ladyship wrote to me we were strangers.” The proposed intimacy, too, was apparently only to exist on paper, as she used the polite form of address throughout this interview. I took it the point was settled, and turned the conversation to other topics, and shortly afterwards took leave of her.

On my return to camp I accepted the supplies which had been sent the day before, making the usual payments to servants (see “Presents”), and writing letters of acknowledgment. In the course of the day I received a piece of native embroidery with the following letter from Woizeru Zauditu:—

“(After preamble and greetings.)

“I send thee a piece of embroidery to take to thy country.

“(Date and seal.)”

At my next interview with her husband I produced both letter and embroidery, and said that, with his permission, I should much like to accept the latter, but the terms of the former rendered it impossible. I could not take a letter couched in these terms to my Government.

He had of course heard of all that had passed between his wife and me. The matter evidently embarrassed him considerably; he seemed to be equally afraid of annoying her and of offending the Government. After trying in vain to induce me to take the embroidery and leave the letter, he called for pen and ink and tried to alter the letter. In Amharic, however, alterations of this kind, which apply to all the verbs and pronouns, are not so easily made. It involved the alteration of more than half the words contained in the body of the letter; he also spilt a quantity of ink over it, so that the result was an illegible mess. I insisted on this affair being settled one way or another before I would proceed to discuss other matters; either he must return the embroidery or arrange for a proper covering letter to accompany it. Eventually he accomplished the second alternative. The embroidery arrived with a suitable letter from his wife, and I wrote her a cordial letter of appreciation and thanks in reply.

Ras Guksa sent me various supplies, including a bull and a cow, and also presented me with a mule (see “19. Recommendations”). On my taking leave of him he sent an official with me as far as his boundary on the Blue Nile bridge (see “Route Reports”), who procured me local guides from point to point.

6. Dejaz Mashasha.

Dejaz Mashasha has his head-quarters at Chelga, and, under Ras Guksa, governs the district named after that village, as well as those of Tankal and Sakkalt. He is thus our immediate neighbour along the Gallabat frontier. He is about 50 to 55 years of age, a native of Gayint, a district to the east of Beigemder, and gave me the impression of being decidedly anglophile. Though he is an alien and one of Menelek's agents, he is by no means unpopular in his district. He was absent when I passed through it, both last year and this, and had made every arrangement for my proper reception (see “Menelek's Authority”), and made himself very useful in the negotiations which preceded my meeting with Ras Guksa at Debra Tabor.

I understand, too, that he afforded no little assistance to the Baron-Parker expedition of 1904. I corresponded with him officially from 1903 to 1906, and found him almost my only Abyssinian correspondent from whom a definite reply to a definite question could be obtained. In recognition of his services, and in order to encourage him to maintain his present attitude towards us, I beg to recommend that presents to the value of, say, £ E. 20 be sent to him (see 19).

7. Basha Yemr.

I mentioned in my 1907 Report that I met with most courteous treatment at the hands of Basha Yemr, Commandant of Gondar, and Negad Ras Mashasha, Superintendent of Customs there. I accordingly took with me this year a hat and a hunting

knife for the former, and a watch for the latter, which were supplied to me by the Intelligence Department.

On my arrival at Gondar both these officials were in attendance on Ras Guksa at Debra Tabor, but Basha Yemr returned before I left that neighbourhood, and one afternoon came to call on me. I gave him the hat and knife, with which he seemed pleased, and told him they had been sent him by the Government. Shortly after he had left my tent, I was starting out for a walk, when one of his servants came up to me with the hat and knife, saying he had been sent back with them. I asked him whether he had a letter, and, on his replying that he had none, said he must be mistaken, and sent him back to see whether he was really to return the presents to me, and if so to ask for a letter to accompany them. I added that if he was to come he had better do so the next morning. I then went for my walk, reflecting that my guest had not only drunk more of my brandy than was good for him, but had most probably been partially intoxicated when he first came. I should mention that a soldier named Bisaten, who had been told off by Dejaz Mashasha to accompany me, had had his hat and some money stolen a few days before by a man whom I had engaged as a driver. This driver decamped with various articles after one day's work, and was on inquiry found to be a notorious thief. I had asked Basha Yemr's *locum tenens* to arrest him, as he lived in Gondar, but nothing had been done. On my return from my walk, I found an excited crowd outside my tent, and my escort all under arms. It was almost dark. I afterwards learned that Basha Yemr's messenger had returned, with the presents and a letter, and accompanied by a dozen or more soldiers. My escort said I was not in my tent, but the Abyssinians had not believed this, and insisted on being admitted to it. My escort refused, having orders from me to admit no strangers to my tent during my absence. Just before I returned the Abyssinians had said they meant to see me at all costs, and had loaded their rifles.

Calling for a light, I sat down and read the letter, which was to the effect that he could not accept these presents without the Ras' permission. This was of course nonsense. He had, in fact, told a friend, who afterwards informed my people, that he had expected I should give him a rifle, or at least a revolver, as a present. I sent for Bisaten, and in front of Basha Yemr's men told him—occasionally studying the letter as I spoke—that Basha Yemr had heard of his loss, and as his *locum tenens* had not arrested the thief, though he was a well-known character, he had sent a new hat and knife to replace what had been stolen. Bisaten was of course delighted to receive these articles.* I then wished good night to Basha Yemr's men, who were gaping with surprise, and asked them to take back my compliments and thanks to their master.

On my arrival at Debra Tabor I gave Naggadras Mashasha his watch, with which he was much pleased.

I reported Basha Yemr's conduct to Ras Guksa, and pointed out that not only had he insulted my Government by returning the presents, but that had I come back from my walk a little later his men would in all probability have fired on mine. He promised to punish Basha Yemr severely, but in my opinion this matter ought not to be allowed to drop until this Government has been informed what form that punishment took. I have recommended in a later paragraph that in view of this occurrence Ras Guksa should be refused the rifle he asks for, but I have recommended giving him other presents. I would suggest the letter accompanying them should contain an inquiry about Basha Yemr.

8. The Situation in Godjam.

It will, I think, be desirable to preface my remarks on this subject by a very brief adumbration of the salient points in the recent history of Godjam. It must be understood that in preparing this outline I have had to depend for the most part on statements made to me by various individuals in the course of conversation. My informants were in nearly every instance natives of Godjam, so that matters were presented to me from the Godjam point of view. I do not therefore make any pretensions to historical accuracy as we understand the term; apart from their political predilections, my informants were rarely definite or consistent as to the connection or sequence of events, the exact date of their occurrence, and similar desiderata, matters of self-evident importance to the European observer, but to the Oriental, generally speaking, matters of supreme indifference. It should be noted in the first place that the name Godjam is used in two ways. In its strict and narrow sense it means the land inclosed by the Abai (Blue Nile), the Rivers Avaia and Gyedev, and the Chetcha range of

* His master appropriated the hat when he saw it.

mountains. In a wider sense, the Kingdom of Godjam embraces all the provinces contained in the great curve of the Abai from where it leaves Lake Tsana up to the Soudan boundary, as well as the districts on the southern and western shores of Lake Tsana; that is to say, it includes, besides the Province of Godjam proper, the adjoining territories of Damot, Agaumdir, Wombera, Belaia, Dunkur, Kwara, Sarakwo, Takwossa, Atchefer, Myetcha, and Innasye. In addition to this, the late King Tekla Haimanot added to the kingdom considerable tracts of the Galla territories south of the Abai.

With the collapse of the Ethiopian Empire at the end of the eighteenth century, the ancient Kingdom of Godjam was split up into a number of independent principalities. "Depuis 1800," says Antoine d'Abbadia,* "le titre de dejjazmatch est assumé par ceux qui se croient assez indépendants pour le faire"; and nowhere was this more often and successfully done than in Godjam. Theodore, himself a native of Kwara, which had asserted its independence under Dejaz Kinfu, in the course of the systematic campaigns by which he reduced the whole of Abyssinia to subjection, met and defeated all these petty Rulers in succession, and installed a number of local Governors whose mutual jealousies precluded any likelihood of a combination against his authority. Later on, during the reign of King John, one of these Rulers, by name Dejaz Tesemma, extended his boundaries; and his son, Ras Adal, whose campaigns against the Dervishes, building of churches, and liberal endowment of ecclesiastical institutions had rendered him a popular figure, succeeded in uniting under his rule all the territories enumerated above, and with the consent and approval of John assumed the title of Negus (King) of Godjam, changing his name at the time to that of the famous ecclesiastical hero and saint, Tekla Haimanot. Menelek, at this time King of Shoa, had watched the rise of Adal with jealous suspicion. As subsequent history has shown, he intended to make himself John's successor on the Imperial throne; and in Tekla Haimanot he foresaw his most formidable rival. His own title of King did not go back many generations,† and was strictly confined to his native Kingdom of Shoa. Others besides Tekla Haimanot had irritated him by referring to him as the Ras (Prince) of Shoa, a province which had only of late years risen from comparative obscurity, and which was reputed to be infested with Moslems. The Abyssinian genealogist is quite as ingenious as his European confrère, and Tekla Haimanot had experienced no more difficulty in establishing his descent from the ancient Royal house of Godjam than had Menelek, on his coronation as Emperor, in deducing his from the Biblical house of Judah. Tekla Haimanot's influence with the clergy of Abyssinia generally was undoubtedly greater than that of Menelek, and his central position in Godjam was superior, from an administrative point of view, to that of Menelek in the outlying Kingdom of Shoa.

The Abai formed a natural and, in Menelek's eyes, indisputable boundary between the dominions of the rival Kings. In the course, however, of his military excursions, Tekla Haimanot had crossed the river and established his authority over various Galla tribes on the left bank. These tribes were rich in slaves and cattle, and the tribute imposed on them formed a considerable item in the Godjam revenue. At the same time Menelek was engaged in extending his dominion in this direction; it will be remembered that he subsequently informed Europe‡ that his dominions extended to the White Nile, which had long been the objective of his ambition. On the east lay the desert, to the north was the Emperor John; the natural direction for the expansion of the Shoa power were south and west. This southern movement, then, of the King of Godjam hemmed him in on the west and menaced his approach to the White Nile.

His remonstrances were disregarded, and finally a collision occurred at Mbayo. The action was of an indecisive nature, and the partisans of both sides claim a victory, though the Shoans appear to have had the best of the encounter. It is difficult to ascertain exactly what occurred; the exploits of Tekla Haimanot are fast assuming a semi-mythical character, and those of Menelek are of course exaggerated by all who "think Imperially" in Abyssinia to-day. However this may have been, John intervened and effected a peace between the combatants, each of whom retired to his capital. From this time onwards their relations were nominally friendly; but it will be realized that it was with tolerable composure that Menelek received the news of the crushing defeat of Tekla Haimanot by the Dervishes under Abu Anjaat Sar Wuha in 1888.

How Menelek was able, on the death of John at Metemma (Gallabat) in the following year, to establish his claim to the Imperial succession, the skilful use he made of

* "Dictionnaire de la Langue Amarinnna," s.v. "Zammata." Dejaz = "general," but often also "governor of a province," the same individual holding both military and civil rank.

† Seven.

‡ E.g., in his Concession to the International Ethiopian Railway Company.

Italian influence to consolidate his position, and, when that was secure, how he turned against and overthrew the Italians with the very forces they had assisted him to accumulate and direct has been exhaustively described by Berkeley in his masterly monograph "The Rise of Menelek and the Campaign of Adowa."

The last years of Tekla Haimanot were burdened by a lingering illness. The sick King was carried from shrine to shrine, and finally expired in the odour of sanctity at Debra Work in 1900. His remains were transported for burial to the magnificent church he had constructed at his capital, Debra Markos, where they now lie interred, surmounted by the crown and royal insignia of Godjam, and surrounded by a gallery of pictures illustrating scenes both in his own life and in that of the legendary hero whose name he had adopted, and with whom he appears to be associated in the popular mind.

Menelek now proceeded to reduce Godjam to a state of vassalage in fact as well as in name. Tekla Haimanot had left three sons, Ras Bazzabbih, Dejaz Balau, and Dejaz Siyyum. Ras Bazzabbih, the eldest, ruled at Debra Markos for some three years, and was then summoned to Adis Ababa and imprisoned there on a charge of disloyalty. The younger sons were also imprisoned on various pretexts, and their father's kingdom was split up under Menelek's emissaries and agents, Damot, Agaumdir, Wombera, Belaia, Dunkur, Sarakwo, Atchefer, and Kwara being placed under Ras Mangasha Atikam, the son of a petty local Chief, Myetcha, Innasye, and Godjam under Girazmach Wolda Yohannis, Takwessa being added to the dominions of Ras Guksa, and the Galla territories south of the Abai placed under Dejaz Demis.

Ras Mangasha, as Menelek's agent, had actively fostered the intrigues which led to the imprisonment of three brothers, even though the youngest, Dejaz Siyyum, had married his daughter Askala Mariam.

The territories over which Ras Mangasha now rules had in Tekla Haimanot's time been governed by Ras Masfan, to whom the King had given his daughter Weizero (Princess) Nigist in marriage. On the death of her father Menelek imprisoned her husband on a charge of intriguing with the British in the Soudan, replaced him by Ras Mangasha, and (in the words of my informant) "confiscated his wife and gave her to Dejaz Gassessa." This is not the place to enter into a disquisition on Abyssinian marriage and divorce laws; it is sufficient to remark that they are of a flexible nature. Ras Masfan has since been released, and now resides as a private individual at Bure, Ras Mangasha's head-quarters in Damot.

Meantime two of the late King's sons had died in confinement, and popular rumour in Godjam had it that the third, the youngest, was not likely to survive much longer. Menelek, on political grounds, and also, one would like to think, on those of humanity, determined to release and reinstate him in some portion of his father's possessions. Accordingly in 1907 Girazmach Wolda Yohannis was recalled to Shoa, Myetcha and some adjoining territory was placed under Dejaz Gizau, and Dejaz Siyyum was released and appointed Governor of the home province of Godjam, to which was added part of the territory of Innasye.

Ras Workie, who under King Tekla Haimanot had been Governor of the Galla territories south of the Abai, but who now is said to be an agent of Menelek's, resides at Debra Markos, and is said to keep watch over and report to Adis Ababa on the young Ruler's conduct (see "Dejaz Siyyum"). He appears to be from 55 to 60 years of age.

9. Dejazmach Gizau.

I did not meet this individual, who has succeeded to the northern part of Giraz Wolda Yohannis' dominions.

His capital is, I was told, at Kwait, which would have taken me four days' journey out of my way. This, with the four days in which to return and, say, two for interviews, would have taken me eight or ten days out of my course. Besides this, I was unable to ascertain whether he was at his capital or elsewhere, so I decided to push on to Dejaz Siyyum, politically a much more important personage.

No local Chief throughout the part of Dejaz Gizau's province which I traversed, i.e., from the first Blue Nile bridge to Mota, paid the slightest attention to Menelek's letter, or afforded me any assistance.

10. Dejazmach Siyyum.

The territory ruled over by Dejaz Siyyum, i.e., the home province of Godjam (see "The Situation in Godjam") adjoins that of Dejaz Gizau, being separated from it by the

River Avaia (see route report). The first village of any size that I came to in this province was Mota. I have described my experiences there under the heading of "Presents," and how I proceeded thence to Dejaz Siyyum's head-quarters at Debra Markos under the heading of "Bejirwond Asaggahan."

I knew nothing of Dejaz Siyyum beyond his name. He had made no arrangements to facilitate my passage through his territory. On arriving near Debra Markos, I encamped about a mile short of the village, and sent him Menelek's letter, with an inquiry as to when would be a convenient time for me to visit him. My messengers returned with the following note:—

"To Mr. Armbruster,

"I wish very much to know how thou* hast been keeping. I, thank God, am well. How is thy health? (This much) until we see each other with the eye of the flesh and have a conversation.

"Written at half-past eight o'clock† on the 15th Ginbot, in the year of mercy 1900. (Sealed.)"

The letter was curt and unconventional,‡ and the style of address was improper, but it was obviously friendly in tone. I replied by expressing a similar solicitude concerning his health, thanking him for his letter, but requesting him to instruct his secretary to frame future communications in the proper terms,§ and asking again when I could see him. Towards dusk I saw a crowd of several hundred people coming across the plain, and ascertained that he was coming to visit me. I accordingly advanced about 100 yards to meet him. He dismounted and walked with me to my tent, where we had a brief conversation. He introduced an older man, who accompanied him, as Ras Workie.

I have briefly adumbrated the antecedents and present position of these two personages under the heading "The Situation in Godjam." Dejaz Siyyum is a young man of, I should say, from 25 to 30. His personal manner is exceedingly frank, courteous, and generally pleasant, and he gave me the impression of being intelligent, and, for an Abyssinian, enlightened in his views. He struck me as having been considerably cowed by the treatment he had experienced at Menelek's hands, and he is doubtful whether the favour to which he has been restored may not at any moment be revoked. Both on account of his father, and, I should say, for his own sake, he is very popular in his province, about which he makes frequent journeys. I might add that he was the first Abyssinian I entertained who preferred tea and coffee to alcohol (see "Entertainment of Natives"). He expressed his regret that he had had no intimation from Menelek of my approach, or he would of course, he said, have sent to arrange my passage through his country. I make no doubt that this was the case. As evening had now come on, I pressed him not to stay, and, after thanking him and Ras Workie warmly for their visit, accompanied them to their mules and sent men with lanterns to light them home.||

The next day I went to visit him as had been arranged. He had sent a suitable escort to fetch me, and as I approached his enclosure he turned out to meet me with about 1,000 troops, of which, perhaps, 100 were mounted. He and all his principal officers were in gala costume, some with mantles of silk, satin, or velvet of every hue, many of them embroidered with gold or silver, thrown over their ordinary clothes, others clad in leopard skins, others with lions' manes or helmets studded with gold and silver ornaments on their heads, others bearing shields embossed with gold. I managed to take several hurried photographs of the scene, but even if they are successful they must fail to reproduce its most notable feature, the barbaric brilliancy of all these violently contrasted colours under a tropical sun. Another noteworthy characteristic was the comparative silence that prevailed (see "Military Affairs").

The Dejaz made me ride on his right hand through his outer Courts, and then, dismounting, took me by the hand and led me to a chapel where a service was going on (it was Sunday morning, the 24th May). The officiating priests were enveloped in a dense cloud of smoke caused by burning incense. They emerged from this under their umbrellas in their robes of ceremony and exchanged salutations with us in the porch.

* See the letters quoted under the heading "Ras Guksa."

† I.e., 2:30 P.M.

‡ The omission of the stereotyped form of preamble is rare in a letter from a person of rank.

§ This was done in his subsequent letters.

|| One may often see portable lamps and lanterns hanging in Abyssinian churches, but I have never seen a native use one to light his way. In general, an (honest) native is never out after dark if he can help it.

The Dejaz then led me, still holding me by the hand, to his house, a circular structure of two storeys, in the upper of which he entertained me. Ras Workie was again present at this interview, and I was vaguely conscious that the Dejaz was embarrassed by his presence. (I afterwards discovered that this was the case.) He informed me that it was about a year since he had been placed in his father's seat by Menelek, but that his territories had been very much reduced in extent. He went on to say that reports were being received that Menelek's health was failing, and as he was an old man he was in any case not likely to live long. He then asked me point-blank what I should advise him to do in the event of Menelek's death. I was naturally somewhat surprised by this question, to which I replied by explaining that the discussion of internal politics was beyond the scope of my mission. I reminded him that I had been sent to establish friendly relations between this Government and himself, and to see whether the trade between our countries could be expanded. He replied that if all the territories ruled over by his father had been restored to him he would be our neighbour. As it was, he hoped we would regard him in that light, though, unfortunately, he feared that any endeavours to extend trade between his country and ours would be prevented by Rases Guksa and Mangasha, whose territories intervened. I told him of the treatment I had experienced at the hands of Malaka Gannat (see "Menelek's Authority") and Bejirwond Asaggahan (see paragraph under that heading), and he promised to send for them and to punish the former and reward the latter.

Shortly afterwards I took my leave, on the understanding that I should visit him again next morning, and he conducted me, again leading me by the hand, to his outer gate.

Both that day and the day before he sent me considerable supplies of native food and drink, including two cattle. Incidentally I would point out that both he and Ras Guksa displayed tact in doing this; they had, I think, ascertained that half my party, which consisted of nineteen men, were Christians and half Moslems, neither of whom will eat meat that has not been slaughtered by a co-religionist. Last year Dejaz Gassessa gave me a bull, which fell by lot to the Moslems, but not without causing much ill-feeling among the Christians, who agreed to decision by lot apparently only on the understanding that it was to be in their favour.

In the course of that afternoon and evening I was visited by Gabriel Buktor (see paragraph under that heading) and various other officials.

The next morning, without giving me any notice, Dejaz Siyyum came to my camp about sunrise. He was on his way to inspect some cultivation, and so had decided to take leave of me in passing, as he would not be back till late in the day. He had left instructions that I was to be shown the church and his father's tomb. When he had entered my tent he asked me to dismiss all attendants and to post sentries so that no one should approach to overhear our conversation. He then explained that the day before he was unable to speak openly because of Ras Workie's presence, and again asked me what I should advise him to do in the event of Menelek's death.

I. "When you ask me that question you are asking my Government, and I feel sure they would tell you that they cannot discuss such matters with you."

He. "You say you come as a friend, but if you refuse to give me advice you are not a friend. It is probable that Menelek will die soon, and then the men he has set up on my father's lands around me will fall on me and seize what little I have left of my inheritance. Will the English look on and see this done?"

I. "It is impossible for me to say what the English will do. They are very busy in the Soudan, and I am quite certain they do not wish to interfere in Abyssinian affairs."

He (interrupting). "But they interfered with Ledj Kasa (*i.e.*, Theodore), and they interfered with the Dervishes. Surely they know that my father was always fighting the Dervishes? Or do they not know?"

I. "Everybody knows that . . ."

He (again interrupting). "Well, if they come to Abyssinia, will they help me, or will they help those who have robbed me?"

I. "At present they recognize Menelek as Emperor, and have a Minister at Adis Ababa who is authorized to speak on behalf of the Government. It is not our custom to have one man to represent us to the Ruler of the country and then to send another to negotiate behind that Representative's back and without that Ruler's knowledge. You must see that it is not right that you and I should be talking about these things. I propose in a friendly way that we talk about something else."

He. "But I want to know about the English. You know, but refuse to tell me. This is not friendly."

I. "I should be very sorry if you thought I was not friendly. You have received me very well, and the honour you have done me has been done to the Government that sent me. I shall tell them all about it and make it clear that you wish to be friends with them. As by Menelek's letters you see that he wished me to be well received, you will have pleased him as well as my Government, for they will no doubt thank him for the kindness you have shown me."

He. "I hoped, when I saw that you spoke our language, that you would give me friendly advice; but what you say is as if you kept silence. It is not friendly." (He seemed very much distressed.)

I. "I am very sorry to hear you say that. As you press me to give advice, I think as a friend I may say one thing. The Powers generally wish to see peace in Abyssinia, so that they will think well of you if they see that you keep the peace. That is, you must endeavour to avoid quarrels with your neighbours. If you begin by imagining now that they are going to attack you, you are thinking about war, not about peace."

He. "Will you tell your Government what I have asked you?"

I. "Certainly; but they will not have dealings with you behind the Emperor's back. I was sent here with his knowledge and approval to make your acquaintance, and to see what could be done to increase trade between our countries. I want you to promise me that if at any time merchants from our country come to your province you will assist them, should they get into difficulties. Also I would ask that you give orders that no customs be collected in your province from merchants coming from the Soudan. Merchants from Abyssinia pay customs at Metemma (Gallabat) only. They are given a receipt there for what they pay, and can then take their goods all over the Soudan, through any province, without paying more customs, on producing that receipt."

He (after some discussion, and several attempts to return to the previous subject). "No merchants who come here with a letter to me will be charged customs at any of my posts."

I have reproduced above, as nearly as I can, from notes taken at the time, what passed between us. It is clear that he came to extract from me an assurance of British protection in the future. I had no authority to discuss the matter, but I would submit that I was placed in a somewhat difficult position. If I had no right to make any promises, I also had no right to say that he was, under the circumstances, to expect British protection; and I saw that he took my silence as tantamount to my pursuing the latter course.

He knew that I had had a friendly meeting with Ras Guksa, and that I was going on to Ras Mangasha. He is not on friendly terms with either of these neighbours. It is very difficult to maintain one's intercourse with Abyssinians, if they are inclined to be friendly, on a formal and official footing; the matter is, in their eyes, a personal one, and the official attitude with which we are familiar is unintelligible to them. I therefore felt that, in the circumstances, I was justified in giving him the piece of advice about keeping the peace, which is advice that any European might well give any Abyssinian Ruler. I was careful not to commit the Government one way or another, and I am glad to say that we parted good friends. He said he hoped the Government would take an early opportunity of sending a British official to him again.

He warned me that Ras Mangasha was immensely conceited, and considered himself far too great a man to come out to meet Europeans. He had heard of what occurred at Debra Tabor. Ras Guksa, he said, was also conceited; "but," he added, "he is of good family, and, after all, if he wishes, knows how to behave. Ras Mangasha is an upstart."

I trust that I have made it clear that Dejaz Siyyum treated me exceedingly well in every respect. He had not been informed by Menelek that I should pass through his country. From Debra Markos he sent an official with me as far as Dembetcha, in Ras Mangasha's country. This official produced guides for me, and saved me endless trouble and waste of time.

I had nothing suitable to offer as a present to Dejaz Siyyum, and beg to recommend very strongly that a substantial present be sent to him. He did not ask me for anything, either directly or indirectly, except for my advice.

11. Bejirwond Asaggahan.

On leaving Mota I started without a guide (see "Presents"), and picked up such information as I could from passers-by. I was by now seriously considering whether it

was not advisable to abandon making a route report and to push on rapidly to Debra Markos. I was reluctant to do this, as I was now (the 5th May) at the greatest distance from the Soudan I was likely to reach this year, and passing through country about which, as far as I know, we have little or no information. I should certainly not have had time to return from Debra Markos, supposing I was able to obtain guides there. It had begun to rain with unpleasant frequency, and Roseires was nearly 400 miles off. My progress, from the time I left Ras Guksa's border, had been very slow, averaging only 5 or 6 miles a-day. With willing guides I could have done from 10 to 15 miles; but half my time was spent encamped, while my men were out trying to hire guides, who, when found, could not be induced to come more than a few miles (see "Menelek's Authority").

On the 9th May, just after I had decided to push on, I met with a subordinate official of Dejaz Siyyum (in whose territory I was now) who happened to be going in the same direction. As we rode along I questioned him about the country, and when he inquired why I kept looking at my watch and compass and taking notes, I explained my position to him. With great courtesy he offered to guide me himself to the next village, a place called Kiraniwo. On our arrival there he interviewed the local Chief, showed him Menelek's letters, and made him produce a guide to take me on to the next village. It was entirely owing to this man's assistance that I was able to make a route report from Mota to Debra Work, and ultimately to Debra Markos. His name was Asaggahan, and his rank that of Bejirwond. I explained fully to Dejaz Siyyum of what great assistance he was to me, and I have recommended later that a small present—say, a watch—be forwarded to him.

12. Gabriel Buktor.

Among the numerous officials who visited my camp at Debra Markos was a Copt named Gabriel Buktor, who holds the petty native rank of Bilatta. This man used to trade with Abyssinia from Massaua in the days when that port belonged to Egypt. He assured me that his Excellency the Governor-General was acquainted with him and his case, and showed me a letter from the British Legation at Adis Ababa which said that if he failed to obtain a satisfactory settlement of his case from the Abyssinian authorities he might bring his case to that Legation for consideration.

His case is, briefly, that he claims from the late King Tekla Haimanot (see "The Situation in Godjam") 12,000 dollars for value received, and from Menelek 3,300 dollars expenses incurred in fetching a Patriarch from Alexandria.

I also brought a letter from him to his Excellency the Governor-General in regard to some money he stated he had lying to his credit in the Egyptian Treasury.

This individual has lived for fifteen or twenty years in Abyssinia, has a family by a native wife, and has acquired their language and some of their national characteristics, *e.g.*, that of begging. I had several long conversations with him, and was able to check information received from natives in the light of his remarks.

He asked me to obtain employment under this Government for his second son Salomon, aged about 16. I examined him, and found that he spoke both Arabic and Amharic thoroughly well, but in writing Amharic had hardly got beyond the letters. I advised him to work at reading and writing Amharic, telling him that when he could read anything at sight and write a good letter I thought it very likely that an opening as interpreter could be found for him here. I liked his style, and should his name come up later on I recommend his employment, provided always that he had learnt to read and write Amharic.

Gabriel Buktor reads and writes Arabic, and told me that letters would reach him (see "Purchase of Mules") if addressed to him c/o Michael Birru, interpreter at the British Legation, Adis Ababa.

13. Ras Mangasha.

The official whom Dejaz Siyyum had sent with me accompanied me as far as Dembetcha. From there to Bure, Ras Mangasha's head-quarters, I had the same difficulties in obtaining guides as I had between Gondar and Debra Tabor and in the territory of Dejaz Gizau (see "Menelek's Authority"); added to this it now rained daily, and some of the country I traversed was infested by brigands.

Ras Mangasha did not send any one to meet me.

On reaching Bure, which is the most considerable village I have seen in Abyssinia, and perhaps deserves the name of town, I camped a few hundred yards from the Ras' inclosure, and sent him Menelek's letters. Some time afterwards he sent Dejaz Yemr,

Governor (under him) of Kwara, to visit me. It would be wearisome to describe in detail the negotiations which ensued. It is sufficient to say that I waited two days (the 4th to the 6th June) at Bure, and then, as the Ras still refused to come to his gate to receive me, resumed my journey without seeing him. Before leaving I wrote him the following letter:—

"(After preamble and greetings.)

"I am exceedingly sorry to hear you are ill. May God have mercy on you* and restore you to health.

"(Dated and sealed.)"

He sent a reply, which I had opened by my Onbashi, who could read Amharic. On seeing that it was addressed to me in the second person singular he returned it to the bearer, saying that he was not allowed to submit improperly written letters to me. There was nothing of any importance in the letter.

In connection with these incidents it must be remembered that the only British who have visited Ras Mangasha hitherto were officials and concessionnaires not acquainted with either the language or customs of the country. It was hinted to me that what was good enough for them was good enough for me. However, I thought otherwise.

I would also mention that he sent persons covertly to examine my baggage, no doubt to discover whether I had brought him any presents. I had now been travelling for five months, and my stores were much reduced, so that the fact that I was not bringing him anything was fairly obvious.

The letter I had written to the British Minister at Adis Ababa (see "Menelek's Authority") had led to a letter being sent by Menelek to Ras Mangasha ordering him to assist me through his country. Dejaz Yemr showed me this letter, and, on my asking why instructions had not accordingly been sent to the Chief of Dembetcha, said that it had not been realized that I was the person referred to in the Emperor's letter. Now, he said, that they knew who I was, a guide would be supplied to take me to Roseires. A guide was indeed told off to accompany me, but he ran away before we were clear of Bure town. From my first camp I wrote to the Ras asking for another guide. My messengers returned with an old cripple, who was practically exhausted when he reached me. The first guide, I heard, was caught and thrashed. I put the new one on to a mule, but had not the heart to take him more than a few miles, which also was as far as his knowledge of the country extended. I had simply endless trouble in compiling route reports in Ras Mangasha's country, and I regret to say that they are, in consequence, much less detailed than the rest of my work of that kind.

The particular disease which prevented Ras Mangasha from treating me with the courtesy due to a European official was said to be rheumatism, which I gathered was a euphemism for syphilis. I had heard some years ago at Gallabat that he was suffering from this disease; it had not, however, prevented him from going out shortly before I reached Bure. Further, I was visited by Alaka Dasta,† an old Gondar friend, who happened to be at Bure, and he told me that the Ras was quite able to come out and meet me, but thought I had brought no presents.

14. Dejazmach Yemr.

The principal official that I met of those subordinate to Ras Mangasha was Dejaz Yemr, Governor of Kwara, which is the district south-west of Lake Tsana, in which the Aima (Dinder) and Shimfa (Rahad) Rivers rise. He is accordingly one of our immediate neighbours. He resides, when not in attendance on the Ras at Bure, at Avtag Wuha, which can be reached by a messenger in the dry season in three days from Metemma (Gallabat).

He is an old man with a pleasant manner, and affected to be distressed at the way Ras Mangasha treated me. He did his best to induce me to give him my bed and other camp equipment, even one of my tents, which surprised him by being waterproof. Native tents, being made of native cloth, are of course not so. I gathered that he was very anxious to know whether we had any British troops; they, he thought, would be able to scale the plateau. Of Soudanese and Egyptian troops he is not afraid, as they, in his opinion, could not get up the escarpment.

* The regulation phrase under the (supposed) circumstances.

† The only Abyssinian I know whom I can fairly describe as a learned man.

I had heard beforehand of his views, and did my best to assure him that this Government had no designs on his country, but wished if possible to promote trade and friendly intercourse. The only trade, however, in which he took any interest was that in arms and ammunition. His people, he said, required nothing else from Europeans.

15. *Fitaurari Gassessa.*

In the paragraph "The Situation in Godjam" I have mentioned that Ras Masfan was formerly Ruler of Damot, and now resides at Bure as a private individual. On my arrival at Dangila I was visited by a son of his who is Governor of that district, Fitaurari Gassessa. He informed me that his father would have liked to visit me at Bure, but was afraid of incurring Ras Mangasha's displeasure. He had, however, sent a message to his son asking him to give me all assistance. He explained to me that he wished for the friendship of the British, though he knew Ras Mangasha did not. I said I would report this to my Government, but was careful to say nothing more than that I wanted a guide, and he gave me an official who took me as far as Tumhwa, the edge of the plateau, by whom he sent a message to Fitaurari Zallaka, who would, he said, give me a fresh guide. He presented his brother Balambaras Giwon to me, who lives with him at Dangila. He visited me twice; on the second occasion he was unfortunately very much the worse for liquor.

16. *The Gimz.*

On my leaving the Agaumdir Plateau at Tumhwa I endeavoured to shape the straightest possible course for Famaka (Amharic Afa Mekka). Fitaurari Zallaka, the Governor of Tumhwa (see "Fitaurari Gassessa") informed me that, though there were men living on Belaya Mountain, all the low country between the plateau and the Soudan frontier was inhabited by his slaves.* The guide he gave me would, he said, take me to Khatz, the first of the slave Chiefs, and give him orders to pass me on to the next slave Chief. After descending from the plateau we traversed 50 miles of uninhabited country and passed round the south side of Belaya Mountain. My progress was slow, as many of the streams were in spate, and I frequently had to wait hours till they became fordable. We now came on traces of cultivation and saw an occasional black, who bolted like a hare at our approach.

At last my guide produced the Chief Khatz, a black who wore nothing but a hat and a loin-cloth, and handed us over to him. Khatz knew no Amharic or Arabic, but knew a little Agaunnya. I made the guide from Tumhwa impress on him that I wished for nothing but to proceed as directly and fast as possible to Famaka. I knew that the bearing of Famaka was approximately west by north. The map, however, was a blank. Khatz began leading me south-south-west and north-north-west alternately. The more I remonstrated the more winding the course he took me. It struck me that, though this country, as I saw by tracks and traces of cultivation, was inhabited, we never saw a village, and I gradually realized that he was leading me by this tortuous course so that I should not see the villages.

On the third day I insisted on marching west, i.e., keeping to tracks which were, approximately, in that direction, with the result that we passed several villages, and camped near one named Bando that night, the 21st June.

The inhabitants of each village fled at our approach. The next morning we had to wait for a river just ahead of us to fall, and I walked up with Khatz and an interpreter (i.e., one of my men who spoke both Amharic and Agaunnya) to the village. Some of the inhabitants had returned, but they were by no means pleased to see us. They crowded round Khatz talking excitedly, and all I could gather from him was that they wished us to move on. I then made him tell them that my wish was the same as theirs, and the best thing they could do was to send somebody with us to show us the straightest way, as we had now reached country with which Khatz was not familiar.

By noon the river had fallen from 15 feet to 2 feet, and we forded it and pushed on. As the village had supplied a guide I sent Khatz back. We now took guides from village to village, except that when the villages were very close I made the guide come on a fair distance to earn his pay. I would then send him to the village with two of

* The Abyssinian does not include slaves in the term "Sau" ("So"—man, human being).

my escort to obtain his relief, and on their return I would pay and dismiss the old guide in the presence of the new one, explaining to the latter that that was what would happen to him the next day.

As we came in sight of Gwuva Mountain we began to meet with individuals who knew a little Arabic; but the inhabitants seemed more unfriendly than before, and I noticed that they had many more rifles than in the Belaya district, where the average native only had a spear. My difficulties were added to by the fact that I and several of my party now began to suffer from fever. We were also unable to buy any supplies or forage from the natives, who refused to have any dealings with us.

On the 24th June we crossed a considerable river called the Ses. I was some way ahead of my transport. The guide pointed to a village in the bush named Aitig, and said it was the residence of a Chief, and that he would get a fresh guide there. I accordingly sent him off with the two soldiers I had with me, waiting myself to show the transport the best point to ford the stream. Just as the mule transport reached the other bank the soldiers returned and said that the Chief, who spoke Arabic, had cursed them and threatened to beat them. I told the guide that I would come and see the Chief myself, and as soon as the transport had started to cross, and I had made arrangements for the donkey transport to be shown where to cross, I rode towards the village. The guide and my men had preceded me, and when I came up they and three natives were all struggling together, and letting off a great deal of abuse at each other. I called my men off, and they pointed out to me which was the Chief. There were only three men in the village. The Chief turned to me in a great state of excitement and said he refused to supply guides to any one coming from Ras Mangasha. I explained to him who I was, and said I wanted nothing without payment. He said no guides should take me through his country, whether paid or not, and proceeded to abuse Ras Mangasha and all Abyssinians. By way of changing the subject I asked him the name of a khor in front of us which flowed into the river we had just crossed. He refused to tell me, and went on to question the guide who was with me in the Gimz language. Meantime the transport had all come up, the donkeys, which had been some way behind, having now all crossed the river. When he saw all my transport he suddenly changed his tone, and said he would guide us himself, and started off along a track leading south-west through the forest. I paid the previous guide, who came on a little way and turned off at a run along a track leading south. This country was all densely wooded. The two natives who had come with the Chief also started off down branch tracks when we came to them, and I happened to notice the Chief slip a cartridge into the hand of the last man. I then began, to use a colloquialism, to smell a rat. A few hundred yards farther on I halted. The Chief asked me why I did so. I said, "In order to let the donkeys catch me up." "But," he said, "they will see the tracks of the mules and follow them." I said I would wait for them all the same. I remembered to have heard in Abyssinia that when the slaves were being raided they sent a cartridge round as a signal for all rifles to concentrate. When my transport had all come up, I told the Chief that I distrusted him, and that I would find my way without his assistance. I did not propose, I said, to interfere with his people at all. Since he refused to supply a guide, we would do without one. But, I said, if they propose to interfere with us we should be ready for them, and if he did so, he would be starting a quarrel with the Soudan Government, who would not bother about Ras Mangasha, but would come and settle accounts with him in his country.

I then turned off to the north through the forest, the Chief starting off at a run to the south-west. It was about 2 P.M., and there had been heavy rain that morning. Our tracks were very easy to see and our progress very slow. I and several of my men had fever, and our animals were worn out. Fortunately about two hours later we came on some hard stony ground, on which we left practically no spoor, and this I followed for about 6 miles to the north-east. I then turned north-west, and went on till it began to grow dark, when I selected a ravine to camp in, from which fires would not be observed. We saw nothing more of the Gimz till I had got to the west side of Gwuva Mountain, when I headed for the Blue Nile, which we struck about 20 miles above the Soudan frontier.

I take it this Chief looked on me at first as an emissary of Ras Mangasha who had come to inspect his country with a view to raiding it. Afterwards he thought I was a merchant who had lost my way, and, as I only had six rifles, determined to lead me into a trap and relieve me of my transport. Near Famaka I met a merchant returning to Bure from Singa. He would hardly believe that we had come through the Gimz country, to which, he said, all merchants gave a wide berth, as the Gimz murdered all isolated strangers.

On more than one occasion I saw a skeleton lying by the side of the track near a village. To my inquiries the only word of explanation they gave was "stranger."

This tribe live by agriculture and hunting. They are naked savages. I ascertained that they worship the sun and also strips of hide suspended from tree to tree across a track. They are nominally under Ras Mangasha, but really independent. Their head Chief is a man named Banja (*i.e.*, Abu Anja), who resides somewhere near Gwuva Mountain. He has the title of Dejaz, and each year sends so many ounces of gold to Ras Mangasha, and in return receives so many rifles and so much ammunition. If the arms and ammunition are not forthcoming, no more gold is sent up until the account is brought up to date.

Their villages extend a little north of the Soudan frontier, *i.e.*, there are a few of them in the Soudan, but east of Gwuva they appear to know nothing of this Government.

Their language bears no resemblance to those by which it is surrounded, at any rate in vocabulary. I give a few specimen words:—

English.	Jebelawi.	Agaunnya.	Gimz.*
Water	Piri	Akhu	Aya.
Fire	Mu	Legi	Manja.
Donkey	Shilir	Dukhwari	Nenua.
Man	Maba	Aki	Gunza.
Woman	Ninye	Huna	Ngafa.
Wood	Titsia	Kani	Ja.
Rain	Ku	Iri	Dema.
Sun	Munzu	Awwa	Oka.
Moon	Zigi	Arfa	Bija.
Knife	Kanjir	Kari	Tshaga.

The neighbouring dialects have traces of Semitic contact, *e.g.*, above Jebelawi Kanjir is the Arabic Khanjar and Agaunnya Kari is Amharic Karra, but I am unable to see any connection between Gimz and its neighbours.

The Gimz are at present hostile to all strangers. This is only natural, as hitherto strangers have only visited them for the purpose of raiding them for slaves.

In view, however, of their position, it is desirable that they should learn to know and respect this Government. At present they do neither.

I had some talk with Wilson Bey, Governor of the Sennar Province, about them on my way down. He told me that they had a bad name. He agreed with me that it would be a good thing if a British official could be found who would learn their language and get into touch with them, and at any rate make them understand that we are no more in favour of slave-raiding than they are themselves.

In the meantime, I am of opinion that no official of this Government should venture into that country without a minimum escort of twenty rifles.

17. European Prestige.

Before closing this portion of my Report I would again draw attention to the fact that European prestige was seriously impaired by the disaster at Adowa (1896) and that the present generation has all but forgotten the Magdala campaign (1868). In addition to this, the white man has been compromised in Abyssinia, as in North Africa generally, by the lower-class quasi-European trader or artisan, who has occasionally wandered into the country. The same term, "Ferenj" (the Amharic form of Arabic "Afranji," Frank), is applied not only to the British or Italian official, but also to the needy Greek ("Græculus esuriens"), the Armenian, and even to the Copt. This practice may be in certain cases ethnographically correct, but it compromises, from a political point of view, the former class.

Further, the Abyssinians have of late years been brought into a good deal of contact, in one way and another, with French and Italians. Now, in my opinion, the Latin races are mistaken in their treatment of less civilized races. From what I have observed in French and Portuguese Colonies, I consider that they fraternize with

* The final "a" in all these words is probably the article or a demonstrative pronoun or case-ending; anyhow, not part of them.

natives too much, with the result stated in a certain wholesome proverb about familiarity. Their views and behaviour are not in accordance with the British, still less, one may add, with German or Dutch, ideas and practices. I was much struck with the difference in the white man's position in Madagascar and German East Africa respectively, when I visited them some years ago. In the former he is elbowed and hustled by the native, who is his "fellow-citizen"; in the latter he is regarded with respect and, in fact, usually with fear. The Germans are a scientific people, and consider these relations the soundest that can subsist in the circumstances. A subsequent visit to Natal led me to conclude that, on the whole, we are, as a race, inclined to steer a middle course in our dealings with inferior races; while, that is, we treat them fairly, we firmly keep them in their place, which after all is the lower place. We tacitly realize that if one cannot do this one had better not go into their countries. Time alone can show which of the European races has pursued the wisest policy.

To resume, in the course of this Report I have more than once described what, to those who have had no intercourse with Oriental or uncivilized races, may at first appear to be almost idle bickerings over points of etiquette. I make no apology for describing these apparently trifling passages at such length. Such little points of etiquette have an importance in the native mind that it is difficult for the modern European to realize, though time was when not dissimilar scenes occurred in London. Samuel Pepys writes in his Diary under the 27th September, 1688:—

"This night, in the Queen's drawing-room, my Lord Brouncker told me the difference that is now between the three Ambassadors here, the Venetian, French, and Spaniard, the third not being willing to make a visit to the first, because he would not receive him at the door; who is willing to give him as much respect as he did to the French, who was used no otherwise, and who refuses now to take more of him, upon being desired thereto in order to the making an accommodation in this matter."

Etiquette, in fine, is of importance almost always and almost everywhere; the use of "thou," to which I objected in Woizero Zauditu's letter, finds an exact parallel among the Japanese, of whom Pierre Loti says:—

"Dans la langue de ce peuple poli, les injures manquent complètement; quand on est très en colère, il faut se contenter d'employer le tutoiement d'infériorité et la conjugaison familière qui est à l'usage des gens de rien."

18. Entertainment of Natives.

Whether the traveller entertains many natives will depend on the reasons for which he is visiting the country. Personally I entertained as many as possible, and these of all ranks and conditions, with a view to studying the people and obtaining information. The traveller must be prepared for the fact that nearly all beg in the most unabashed manner, high and low alike. They also drink spirits and liqueurs readily and in surprising quantities. Coffee is appreciated; tea is usually regarded as a medicine. Almost every other day is a "bal" or festival, on which they are by way of fasting. This means that on such days they will not eat meat (which should in any case not be offered, as they are particular about it having been slaughtered by an Abyssinian Christian), milk, eggs, or anything containing butter, *e.g.*, many kinds of biscuits. It is not necessary to offer spirits to any but natives of high rank, say, Kaniazmach and upwards; to these it is a courtesy which they more or less expect.

Another mark of courtesy which is much appreciated is to offer a guest a larger chair than that on which one is sitting. The place of honour *par excellence* is one's bedstead, which is regarded as a throne (in Amharic "throne" and "bedstead" are the same word). The traveller, however, before he accords the courtesy of offering this as a seat, should reflect that his guest, however high his rank and however gorgeous his outer dress, is almost certainly the host of numerous parasites (see "Insects"), some of which will be deposited where he sits.

It is also an elementary act of courtesy to come out to meet a guest of any standing and to accompany him out of one's tent when he leaves.

Moslem servants should not be employed in entertaining an Abyssinian guest. To get rid of a guest one should rise and say one is sure he is tired and would like to retire to rest, that he will not get home before the rain or darkness comes on, or some such remark, and oneself lead the way out of the tent, sending an attendant for his animals.

19. *Points requiring Consideration for Action.*

(a.) *Invitations to Khartoum.*—In accordance with your instructions, I informed Ras Guksa that this Government would be glad to welcome him to Khartoum this coming winter. I intimated that the best time would be about January. If he could manage to reach Gallabat about the middle of that month, I said that we would arrange his journey from Gallabat to Khartoum and back. He said he would like to come, and would ask Menelek's permission. It would be perhaps advisable to inquire early through Adis Ababa, whence there is a telephone to Debra Tabor, his head-quarters, whether he is coming or not. I do not think it likely that he will come; but, if he does, we shall require notice in good time to arrange for transport camels to be at Gallabat. He would take about a fortnight to reach that place from Debra Tabor.

The other invitation I was instructed to extend was to Dejaz Gassessa, who was, I found on my arrival in Abyssinia, a prisoner at Adis Ababa (see "Dejaz Gassessa"). I accordingly did not attempt to deliver the invitation.

(b.) *Presents made to me.*—The various presents made to me in my official capacity consisted occasionally of cattle for slaughter, but for the most part of native food and drink, which were consumed by my drivers, servants, and escort. These were all practically paid for (see "Presents"), and, in cases where I made no personal use of the articles presented to me, I have recovered from the Government the sums thus expended under the heading of "expenses," of which a detailed list was attached to my travelling allowance claim.

For the following two presents, however, I was not in a position to make any adequate return:—

1. A mule given to me by Ras Guksa, which I handed to the Inspector, Roseires, on my arrival there. I attach his receipt.

2. A piece of embroidery given me by Ras Guksa's wife. The local value of this I ascertained to be £ E. 4. It is still in my possession, and I would request to be allowed to keep it on payment to the Government of that sum.

(c.) *Recommendations.*—I beg to recommend that presents of the following values be sent to Debra Tabor:—

For Ras Guksa	£ E.
For Woizero Zauditu	50
For Dejaz Mashasha	40
For Fitaaurari Buseri	20
Total	180

In my letter of the 20th April, 1908, to the Soudan Agent, Cairo, I recommended presents to the value of £ E. 100 for Ras Guksa personally, but, after careful consideration, and, in view of the very much better reception accorded me by Dejaz Siyyum (see the paragraph under his name), I have decided to reduce my recommendation to that made above. I would add that Ras Guksa particularly requested me to inform the Government that he would like a single-barrelled 540 express rifle. I propose, however, that he be informed that, in view of the fact that when I was at Gondar his subordinates all but fired on my party, this Government does not consider it desirable to supply him with further fire-arms.

He also asked for two black silk sleeveless cloaks and one of thick black cloth, all embroidered with gold braid.

I noticed that he has no candles or candlesticks.

I would further recommend very strongly that £ E. 100 worth of presents be sent to Dejaz Siyyum, and a good (say, £ E. 5) watch each to the following:—

Bejirwond Asaggahan, at Debra Markos;
Fitaaurari Gassessa, at Dangila;
Balambaras Giwon, at Dangila;
Fitaaurari Zallaka, at Tumhwa.

My recommendations amount to £ E. 250. I would suggest that, if this is approved, I be instructed to select and buy these presents in London. I would submit that a few good articles will be far more appreciated than a larger quantity of inferior ones. If

instructions are sent to me I would request that they reach me not later, if possible, than the end of November.

(d.) I recommend that the £ E. 438 mms. 631 which Ras Guksa asks to be exchanged (see "Currency") be exchanged for new Abyssinian currency, if we can obtain it; and the payment in future of the Abyssinian share of the customs at Gallabat and elsewhere in that currency.

Conclusion.

Before closing this Report, I wish to express my indebtedness to the Director of Surveys, Captain Pearson, R.E., for valuable advice and the loan of certain sketching materials, and to Messrs. Vines, Carson, and Hickin, of that Department, for the time and attention they have bestowed on the preparation of tracings and reproductions of my sketches.

(Signed) C. H. ARMBRUSTER,
Junior Inspector.

[34618]

No. 222.

Treasury to Foreign Office.—(Received October 6.)

Sir,

Treasury Chambers, October 5, 1908.

THE Lords Commissioners of His Majesty's Treasury have had before them Sir F. A. Campbell's letter of the 26th ultimo, further relative to the question of the supply of interpreters to His Majesty's Legation in Abyssinia.

In reply, I am to request you to inform the Secretary of State that, in view of the explanations now furnished, my Lords will waive the stipulation made in their letter of the 14th February last, that the young men in training should not be sent out of Abyssinia, on the understanding that every possible precaution will be taken to supervise them.

Their Lordships accordingly give their covering sanction for the arrangements made by His Majesty's Chargé d'Affaires for the education of two young men at Khartoum, including the payment of an allowance of 10*l.* per month as from September 1907, but they must ask the Secretary of State not to repeat this experiment after these two are trained without further reference to this Board.

I am, &c.
(Signed) W. BLAIN.

[33316]

No. 223.

Sir Edward Grey to M. Cambon.

Your Excellency,

Foreign Office, October 14, 1908.

ON the 25th ultimo your Excellency made an inquiry on behalf of the French Government as to the views of His Majesty's Government on the proposal of the Italian Government that identic instructions should be sent to the Representatives of the three Powers in Abyssinia, to insure the harmonious working of the Tripartite Agreement of the 13th December, 1906.

As the Government of the Republic are doubtless aware, a draft of the Italian proposals, similar to that submitted to them by the late Count Tornielli, was communicated to His Majesty's Government by M. di San Giuliano in January last.

His Majesty's Government referred this draft to their Minister in Adis Ababa, and on the receipt of Sir J. Harrington's observations made communications to the Italian Embassy, the substance of which may be summarized as follows:—

Taking the proposals in the order in which they have been placed by the Italian Government, His Majesty's Government have replied:—

1. *Modus Procedendi.*—His Majesty's Government consider that this clause limits too closely the discretion of their Representative in Adis Ababa. They are, however,

prepared to accept, as a basis of discussion only and without in any way signifying their agreement with its terms, the following wording:—

"Pour régler d'une façon uniforme l'application de certaines clauses de l'Accord de Londres du 13 Décembre, 1906, en tant qu'elles se réfèrent aux intérêts communs des trois Puissances Signataires dans l'Empire, ou à certains intérêts spéciaux qui sont indiqués ci-dessous; et pour éviter d'une façon absolue de porter devant le Négus les différends qui pourraient surgir entre les Représentants des trois Puissances, chacun d'eux devra informer complètement ses collègues de toutes les questions qui touchent à des intérêts communs des trois Puissances, de sujets de celles-ci, de tierces Puissances ou de sujets de ces dernières.

"Dans le cas où une différence d'opinion surgirait, quant à la manière de juger si une affaire déterminée est ou non d'intérêt commun, le Représentant qui croira devoir soulever une objection en informera ses collègues, et les trois Représentants examineront la question et prendront une décision."

2. *Concessions*.—In the same spirit His Majesty's Government have agreed to a clause worded as follows:—

"Les Représentants des trois Puissances s'abstiendront de demander ou d'appuyer les Concessions qui se trouveront en contradiction avec l'esprit de l'Accord du 13 Décembre, 1906, en tant qu'elles pourraient léser les intérêts communs de l'une ou de plusieurs Puissances Signataires, et s'opposeront conjointement s'il est nécessaire aux Concessions de ce genre qui seraient demandées directement, soit par leurs sujets, soit par des Puissances tierces."

3 A. *Defence of Legations*.—His Majesty's Government share the views of the Italian Government.

3 B. *Succession*.—Now that the Emperor Menelik has nominated his heir, the Italian Government propose to omit this clause, in which suggestion His Majesty's Government would concur.

4. *Measures on the Death of the Negus*.—His Majesty's Government are prepared to accept in principle the proposed common action herein laid down.

5. *Jurisdiction*.—His Majesty's Government see no objection to the Representatives of the three Powers in Abyssinia working out a scheme to deal with this question.

6. *Customs and Transit Dues*.—His Majesty's Government have expressed their concurrence in the views of the Italian Government on this point.

7. *Arms Traffic*.—As the Government of the Republic are aware, His Majesty's Government, during the Conference at Brussels of this year, have supported the Italian proposals.

8. *General Policy*.—His Majesty's Government assent to the views held by the Italian Government.

I have the honour to inform your Excellency further that His Majesty's Government have suggested to the Italian Government that the whole question should be left in abeyance until the reply of the Government of the Republic to the communication made to them by the late Count Torrielli is known.

I have, &c.
(Signed) E. GREY.

[32983]

No. 224.

Sir Edward Grey to the Marquis di San Giuliano.

Your Excellency,

I HAVE the honour to acknowledge the receipt of your Excellency's note of the 19th ultimo relative to the proposed identic instructions to the Representatives of the three limitrophe Powers at Adis Ababa.

Your Excellency, in this note, requests, on behalf of the Italian Government, that His Majesty's Government should themselves draft a clause on the subject of the *modus procedendi*, since they find they cannot accept the wording of the Italian draft.

This proposal has received careful consideration, and I have the honour to inform your Excellency that His Majesty's Government would be prepared to accept as a

Foreign Office, October 14, 1908.

basis of discussion the wording proposed in your Excellency's note of the 20th July last, with the omission of the sentence in brackets, "qui doivent être . . . du Négus," and of the last sentence, "S'ils ne pourront pas," &c., though your Excellency will realize that His Majesty's Government do not thereby signify their agreement with the terms of the clause in question.

It is probable that the whole scheme, and the *modus procedendi* clause in particular, will undergo considerable modification as the result of any discussions that may take place between the three Powers interested, and His Majesty's Government therefore consider that, until the French Government have made known their views, it will be of little practical use to elaborate further the various points.

I would, moreover, point out to your Excellency that matters appear to be running smoothly at Adis Ababa at present, and His Majesty's Government are therefore inclined to think that, so long as this satisfactory state of affairs continues, it would be better not to take any action in Europe which might disturb it.

I have also the honour to inform your Excellency that, in response to a question from the French Ambassador, I have given his Excellency a summary of the replies of His Majesty's Government to the Italian Government on the various points of the proposed draft instructions, adding that His Majesty's Government have suggested to your Excellency to await the communication of the views of the French Government before proceeding further with the discussion.

I have, &c.
(Signed) E. GREY.

[35852]

No. 225.

Lord H. Hervey to Sir Edward Grey.—(Received October 16.)

(No. 35.)

(Telegraphic.) P.

Adis Ababa [undated].

COMMISSION for delimiting the Southern Frontier.

The Abyssinian Commissioners have not yet been named owing to the Emperor Menelek's illness and to the reluctance to assume responsibility shown by the other Chiefs. Owing to the lateness of the season it is impossible to delay Gwynn's departure. I propose, therefore, that he should leave here about the 20th of this month and join caravan at Ginir. If not prevented, he can proceed to Dolo and Ursulli about the 15th December, where he can be met by the Abyssinian Commissioners, if by that time they have been appointed. Lake Rudolph could thus be reached about the 15th March, when the rainy season begins. I cannot say when the Emperor Menelek will be fit for business, but probably not for three weeks at the earliest. In the meantime it is doubtful whether any appointment will be made.

I should be glad to know whether you wish Major Gwynn to proceed as suggested. It is possible that there may be some difficulty about passes, but matters may be hastened by a move on our part.

[35852]

No. 226.

Sir Edward Grey to Lord H. Hervey.

(No. 22.)

(Telegraphic.) P.

Foreign Office, October 16, 1908.

SOUTHERN Frontier delimitation. Your telegram No. 35.

You should send to the Emperor Menelek, both verbally and in writing, the following message:—

"His Majesty's Government have heard with great regret that His Majesty has been suffering in health. They realize that His Majesty is in consequence unable at present to attend personally to anything except matters of the most urgent nature, and they have therefore authorized Major Gwynn to proceed to Dolo to start work on the delimitation, in accordance with the agreement between the two Governments, and in order that the work may not be delayed for another year, which will be the case unless he starts at once. His Majesty's Government are confident that this is also His Majesty's wish, and they hope that the Abyssinian Commissioners may be sent forthwith to meet Major Gwynn at Dolo by 15th December."

[1557]

3 G

I request that you will also bring this message to the notice of Hapta Georgis and the other frontier Chiefs. You should warn them that His Majesty's Government will hold them responsible for any obstruction of Major Gwynn and his companions.

You should also tell them that His Majesty's Government are anxious that they should send officers to accompany the Commission.

[35136]

No. 227.

Sir Edward Grey to the Marquis di San Giuliano.

THE Secretary of State for Foreign Affairs presents his compliments to the Marquis di San Giuliano, and, with reference to his Excellency's inquiry on the 5th instant respecting an acknowledgment of the Emperor Menelek's announcement of his choice of a successor, has the honour to inform his Excellency that, as noted in Sir E. Grey's communication of the 24th July last, His Majesty's Government decided to acknowledge formally His Majesty's communication, since the action of the French Government in instructing their Minister at Adis Ababa to thank His Majesty for his announcement rendered unnecessary the joint formal acknowledgment by the three limitrophe Powers proposed in Sir E. Grey's note of the 4th July last.

Sir J. Harrington has accordingly been instructed to address a formal acknowledgment to the Emperor Menelek.

Sir E. Grey desires to express his regret that the wording of his note of the 24th July last failed to make it clear to his Excellency that, in the opinion of His Majesty's Government, any joint acknowledgment, such as was originally proposed, would have to be abandoned.

Foreign Office, October 17, 1908.

[35852]

No. 228.

Foreign Office to Colonial Office.

Sir,

Foreign Office, October 19, 1908.

I AM directed by Secretary Sir E. Grey to transmit to you herewith, for the information of the Secretary of State for the Colonies, copy of a telegram from His Majesty's Chargé d'Affaires at Adis Ababa,* relative to the delay in starting work on the delimitation of the southern frontier of Abyssinia, and of the reply which has been returned to Lord H. Hervey.†

I am, &c.
(Signed) W. LANGLEY.

[36716]

No. 229.

Lord H. Hervey to Sir Edward Grey.—(Received October 22.)

(No. 36.)

(Telegraphic.) P.

SOUTHERN Frontier delimitation.

Adis Ababa, October 21, 1908.

In accordance with instructions in your telegram No. 22 I have sent letter to King, which he has not yet been allowed to read. A verbal message cannot be delivered. The Queen, however, and leading Abyssinians with whom I am trying to arrange have been informed of its contents, and I hope to settle everything in a few days' time.

Major Gwynn will start for Ginir on the 24th instant, his passes having just been received.

* No. 225.

† No. 226.

[37362]

No. 230.

The Marquis di San Giuliano to Sir Edward Grey.—(Received October 27.)

(Translation.)

London, October 24, 1908.

Sir,

IN your note of the 9th ultimo you were good enough to acquaint me that the French Embassy had informed the Foreign Office that the request of the Negus relative to the adhesion of Abyssinia to the Universal Postal Union had reference only to the postal service. On this point the Italian Government cannot but confirm the previous correspondence regarding the question and the instructions given to the Italian Legation at Berne in agreement with the Governments of London and Paris.

In the same note you stated, however, that the French Embassy had inquired whether, in the event of Ethiopia desiring besides to adhere to the Convention of St. Petersburg of the 22nd July, 1875, the British Government would join with those of Italy and France in supporting a request in that sense and you assured me that, before giving a reply on this point, the British Government desired to learn the reply given by the French Government to the requests made to them in accordance with my note of the 8th August. In this connection I am directed to send you herewith a copy of the reply of the French Government and to inform you at the same time that the Italian Embassy at Paris has been instructed to inform the French Government that the Italian Government hope that the French Legation at Adis Ababa will not initiate any action nor take any step which might prejudice the *status quo* relative to the Italian telegraph line in the Tigre and compromise Italian interests.

Speaking generally, the Italian Government hope that, before any proposal relative to the telegraph lines is presented to the Negus, an agreement may be come to in the matter between Great Britain and France in accordance with the letter and the spirit of the Convention of London of the 13th December, 1906.

I am also to inform you that, judging from reports which have reached them from Adis Ababa, the Italian Government do not believe that the telegraph service in Ethiopia is such as to permit of the advantages flowing from the Telegraph Convention of St. Petersburg being conferred on the Ethiopian Government.

Accept, &c.

(Signed) A. DI SAN GIULIANO.

Inclosure in No. 230.

Note communicated by the French Government to the Italian Embassy at Paris.

PAR une note en date du 9 de ce mois, l'Ambassade d'Italie a bien voulu exprimer le désir de connaître le sentiment du Gouvernement de la République sur la portée de l'adhésion de l'Éthiopie à l'Union Postale Universelle; la demande formulée à cet égard par le Négus et présentée au Conseil Fédéral, d'accord avec l'Italie et l'Angleterre, par l'Ambassade de France à Berne ne devait, dans l'esprit du Gouvernement Royal, concerner que le service postal; une note de la Légation d'Italie à Berne fait au contraire mention, non seulement du service des postes de l'Éthiopie, mais aussi des télégraphes et des téléphones.

Il est exact que la demande rédigée par le Gouvernement Éthiopien mentionnait les services postaux, télégraphiques, et téléphoniques, mais les démarches faites à Berne par l'Ambassade de France, après accord avec le Gouvernement Italien et Anglais, ne concernaient et ne pouvaient concerner que le service postal, puisqu'il s'agissait d'une demande d'adhésion à l'Union Postale Universelle.

Si le Gouvernement Éthiopien désirait, en outre, être admis au bénéfice de la Convention Télégraphique Internationale de Saint-Petersbourg du 22 Juillet, 1875, l'Empereur Ménélik devrait formuler une nouvelle demande spéciale à cet effet, ainsi qu'il en a été informé par le Ministre de la République à Addis-Ababa.

Le Gouvernement Français ne verrait d'ailleurs que des avantages à ce que cette nouvelle demande fût formulée par le Négus et espère que le Gouvernement Royal voudrait bien, le cas échéant, lui donner le même appui qu'à la requête concernant l'admission de l'Éthiopie dans l'Union Postale Universelle.

Paris, le 12 Août, 1908.

[37591]

No. 231.

Colonial Office to Foreign Office.—(Received October 29.)

THE Under-Secretary of State for the Colonies presents his compliments to the Under-Secretary of State for Foreign Affairs, and is directed by the Secretary of State to transmit, for the information of Secretary Sir Edward Grey, copy of a telegram from the Commissioner, Somaliland, on the subject of the illness of the Emperor Menelek.

Downing Street, October 28, 1908.

Inclosure in No. 231.

Commissioner Cordeaux to the Earl of Crewe.

(Telegraphic.) P.

October 20, 1908.

HAVE received report from Vice-Consul at Harrar that there is considerable anxiety among the European community owing to serious illness of the Negus and the anti-foreign attitude of the new Abyssinian Governor of Harrar Arabia and his following. He considers that European life and property will be endangered in the event of the death of Menelek.

[37667]

No. 232.

Lord H. Hervey to Sir Edward Grey.—(Received October 29.)

(No. 37.)

(Telegraphic.) P.

Adis Ababa, October 29, 1908.

APPOINTMENT of Abyssinian Commissioner. With reference to my immediately preceding telegram.

The Emperor Menelek has been given your message. The Minister for Foreign Affairs states that the Emperor has appointed a Commissioner to delimit the frontier, but that no definite settlement has been arrived at, and that the matter is still being considered.

On the 24th instant Major Gwynne set out for Dolo. The frontier Chiefs have their men in readiness. Should the Abyssinian Commissioner not meet Major Gwynne, or not be appointed in time, have you any instructions for him?

I am pressing the Government to act as quickly as possible.

[37591]

No. 233.

Sir Edward Grey to Lord H. Hervey.

(No. 23.)

(Telegraphic.) P.

Foreign Office, October 30, 1908.

ILLNESS of Emperor Menelek.

His Majesty's Government have learnt, by telegraph, from the Commissioner of Somaliland that it is reported from Harrar that anxiety is being caused to the European residents there by the illness of the Emperor Menelek and the new Governor's anti-foreign attitude. In the event of Menelek's death they fear that life and property may be in danger.

You should endeavour to ascertain if these apprehensions are well grounded, and report to me by telegraph.

I should also like to know what information you have as to the state of health of the Emperor.

[37667]

No. 234.

Sir Edward Grey to Lord H. Hervey.

(No. 24.)

(Telegraphic.) P.

Foreign Office, November 2, 1908.

DELIMITATION of Abyssinian frontier. With reference to your telegram

No. 37.

If the Abyssinian Commissioner is not ready when Major Gwynne begins to delimit the frontier, Major Gwynne ought to proceed with his work. He should act as far as possible with the full knowledge of the frontier Chiefs, and in concert with them.

His Majesty's Government have full confidence in Major Gwynne, and desire him to act in his proceedings according to his own judgment.

I request that you will inform the Emperor that Major Gwynne must, on account of the reasons already set forth in my telegram No. 22, set to work while the present dry season lasts.

[38252]

No. 235.

M. Carlin to Sir Edward Grey.—(Received November 3.)

*Légation de Suisse, Londres,
le 2 Novembre, 1908.*

M. le Secrétaire d'État,

POUR faire suite à ma note du 13 et en me référant à la vôtre du 16 Juillet dernier, concernant l'adhésion de l'Empire d'Éthiopie à la Convention Postale Universelle, j'ai, sur l'ordre du Conseil Fédéral Suisse, l'honneur d'informer votre Excellence que, suivant une note que mon Gouvernement vient de recevoir de l'Ambassade de France à Berne, et dont une copie est jointe à la présente, cette adhésion est valable à partir du 1^{er} Novembre, 1908.

Les équivalents d'après lesquels l'Administration des Postes d'Éthiopie percevra ses taxes sont fixés comme suit, à savoir :—

A	2	guerche	pour	25	centimes.
A	$\frac{1}{2}$	"	"	10	"
A	$\frac{1}{4}$	"	"	5	"

Le Conseil Fédéral est encore en correspondance avec l'Ambassade de France à Berne au sujet du montant de la dotation du Gouvernement Éthiopien aux frais du Bureau International de l'Union Postale Universelle. Aussitôt qu'une décision aura été prise sur ce point, mon Gouvernement invitera le Bureau International de l'Union Postale Universelle à la notifier aux Administrations Postales des pays contractants.

Veuillez, &c.
(Signé) CARLIN.

Inclosure in No. 235.

French Ambassador at Berne to M. Brenner.

*Ambassade de la République Française en Suisse,
Berne, le 17 Octobre, 1908.*

M. le Président,

PAR sa lettre du 25 Août dernier, votre Excellence a bien voulu faire savoir à M. Bonnardet que l'admission de l'Éthiopie dans l'Union Postale Universelle était chose faite, l'adhésion de ce pays ayant été notifiée par la voie diplomatique à tous les États contractants. Il ne restait plus qu'à renseigner les pays de l'Union Postale sur un certain nombre de points énumérés, au sujet desquels j'ai l'honneur de transmettre à votre Excellence les précisions suivantes :—

Tout d'abord, en ce qui concerne la date à partir de laquelle l'adhésion sera valable, le Gouvernement Éthiopien exprime le désir d'entrer effectivement dans l'Union le 1^{er} Novembre prochain.

[1557]

3 H

Quant au montant de sa part contributive aux frais du Bureau International, le Gouvernement du Négus nous prie de nous entendre sur ce point avec le Gouvernement Fédéral et accepte par avance la décision qui sera prise à cet égard.

Enfin, les équivalents à fixer en monnaie Éthiopienne sont les suivants : 2 guerche équivalent à 25 centimes, le $\frac{1}{2}$ guerche à 10 centimes, le $\frac{1}{4}$ guerche à 5 centimes.

Veuillez, &c.

(Pour l'Ambassadeur empêché et par autorisation),

Le Secrétaire d'Ambassade,

(Signé) R. COSSON.

[34155]

No. 236.

Sir Edward Grey to Sir E. Gorst.

(No. 28. Africa.)

Sir,

Foreign Office, November 3, 1908.

I HAVE received and read with great interest Mr. Armbruster's Report of his recent journey in Abyssinia, forwarded to me in Mr. Graham's despatch No. 11, Africa, of the 26th September last.

I request that you will ask the Soudan Government to convey to Mr. Armbruster my thanks for the valuable information supplied by him.

In section 4 of the General Report (A), Mr. Armbruster touches on the currency question, and suggests that an inquiry should be addressed to the Bank of Abyssinia to ascertain what steps they are, or contemplate, taking to promote the circulation of coinage. You should inform the Soudan Government that I am instructing His Majesty's Chargé d'Affaires at Adis Ababa to make the necessary inquiries from the bank.

Mr. Armbruster's observations in the same section as to the development of the Soudan-Abyssinian trade being largely dependent on an abundant supply of Maria Theresa dollars coincide with my information received from other trustworthy sources, and will no doubt receive the careful consideration of the Soudan Government.

I am also drawing the attention of His Majesty's Chargé d'Affaires at Adis Ababa to the instances quoted by Mr. Armbruster in section 1 of the Political Report (B) of disregard by local Chiefs of King Menelek's orders, and I am instructing Lord H. Hervey to bring these cases to His Majesty's notice should a favourable opportunity for so doing occur.

I have lastly to request that you will inform the Soudan Government that Mr. Armbruster's language held to Dejaz Siyum, as recorded in section 10 of part (B) of his Report, has my entire approval.

I am, &c.

(Signed) E. GREY.

[37362]

No. 237.

Foreign Office to Post Office.

Sir,

Foreign Office, November 3, 1908.

WITH reference to the letter from this Office of the 21st July last, relative to the adhesion of Abyssinia to the Universal Postal Union, I am directed by Sir E. Grey to transmit to you herewith, for the information of the Postmaster-General, copies of correspondence, as marked in the margin,* respecting the desire of the Abyssinian Government to adhere to the St. Petersburg Telegraph Convention of the 22nd July, 1875.

It will be observed that the French Government consider that such an action would be advantageous for Abyssinia, whereas the Italian Government are of opinion that the telegraph service of that country is not in a condition to permit of its receiving the benefits secured by adhesion to the St. Petersburg Convention.

* Nos. 198, 204, 207, 212, and 230.

Before therefore replying to the French and Italian Governments, Sir E. Grey would be grateful for any information as to the advantages accruing from, and obligations entailed by, adherence on the part of Abyssinia to the Convention.

I am, &c.

(Signed) W. LANGLEY.

[39278]

No. 238.

Lord H. Hervey to Sir Edward Grey.—(Received November 11.)

(No. 33.)

Adis Ababa, October 14, 1908.

Sir,

I HAVE the honour to report briefly on the general situation.

The feverish excitement caused by the antics of M. Klobukowski, the French Special Envoy, passed away with that gentleman's departure in February last, and his successor, M. Brice, has adopted the attitude of one unable to initiate any action or even express any official opinion without previously consulting his Government.

The new Railway Concession obtained by M. Klobukowski has not apparently proved to be entirely as satisfactory as was supposed. A French Commission of engineers was sent out a few months ago to study the technical features of the construction of the line, and it is understood that they have secured some necessary modifications. The nominal concessionnaire, Dr. Vitalien, has just left Adis Ababa, presumably to be at hand in Paris when the subject of the railway comes up for discussion in the French Chambers, and, until that takes place little will probably be heard about it in this capital, for the idea of a railway is not one which excites enthusiasm amongst the Abyssinians generally; indeed, with the exception of the Emperor himself, the majority of the influential Chiefs would prefer to be without it. It is stated, with what authority I am unable to say, that Menelek is far from satisfied on several points, and that many awkward questions will have to be settled before work on the new portion of the line can be put in hand.

The French continue quietly to endeavour to ingratiate themselves with the Abyssinians and to get a firmer foothold in the country. During this year French agricultural experts and veterinary surgeons have been lent to the Emperor, and latterly a new French doctor has arrived to take charge of the hospital taken over from the Russians, and to replace Dr. Vitalien as physician to His Majesty. The Ethiopian posts and telegraphs are now completely under French direction, a number of French employes having recently arrived to take charge.

The Italian Minister, Count Colli, after settling the Lugh incident, and, by means of a money payment, definitely securing that place within Italian territory, has gone on leave, and it is expected that a Commission will shortly be sent to mark out the Italo-Abyssinian frontier.

The German and Russian Legations have, as far as I am aware, had no questions of importance to trouble them.

Information has been received from the United States' State Department that Mr. Hoffmann Philip, Consul-General at Tangier, has been appointed Minister Resident in Abyssinia, and that he will proceed to his post in the autumn. Since the fleeting visit and departure of Mr. Consul-General F. Mowrer, the American Consulate was under the charge of a trading Vice-Consul, who left for the United States in June last.

The situation in general, dating, it seems, from about the advent of M. Klobukowski, has been going from bad to worse.

The policy initiated by the French Envoy of extolling the virtues of the Emperor, and giving the Abyssinians to believe that their country is more wisely administered than most European States (a policy supported also in other quarters) has produced the inevitable result—an inflated and exaggerated sense of importance. The French suggested the withdrawal of the old Railway Concession; the Abyssinians have followed the lead given them, and withdrawn the Rubber Company's Concession and threatened various other concerns in the country.

Under ordinary circumstances the King himself is the most—one might almost say the only—progressive force in the country, but since June last he has been seriously ill (cerebral hæmorrhage), and is only now recovering; he has practically regained his bodily health, but the doctors absolutely forbid him to take any active

part in affairs of State, and it is impossible to say how long this condition of things may last. In the meantime, none of the Rases, or Ministers, daring to assume any responsibility, public affairs of importance are at a standstill, and no redress for acts of aggression or lawlessness can be obtained. Raids into British territory on the south and west are constantly reported, but as the Governors of the provinces concerned probably participate in some proportion of the spoils, it is next to impossible to induce them to take any active measures to suppress them. The so-called Minister for Foreign Affairs, Haili Giorgis, is an unprincipled scoundrel, and will only take an active interest in anything which gives him an opportunity of lining his pockets, so that no assistance can be expected from him.

A fitting instance of the deadlock existing in public affairs is the delay of the Abyssinians in appointing their Commissioners to accompany Major Gwynn to delimitate the southern frontier. It appears that no one dares to take the initiative now that the King is unable himself to give orders. Sir John Harrington before leaving had an interview with the Queen, but it was evident that Her Majesty hesitated to assume the necessary responsibility. I have since endeavoured to induce the Minister for Foreign Affairs and Fitaurari Hapta Giorgis, whose country adjoins a large portion of the frontier-line, to move in the matter, but beyond promises I have been unable to get any farther.

The position of the Bank of Abyssinia has caused some anxiety, first, on account of the machinations of the French Legation to induce King Menelek to permit the Banque de l'Indo-Chine to establish a branch here, and, secondly, owing to the King's desire to be President of the local Committee, with power to exercise a casting vote. On the first point His Majesty is reported to have said that one bank gave him quite trouble enough, and as regards the second it seems probable that the question will be dropped.

To sum up the situation, the general attitude is one of expectancy. The Emperor may be sufficiently well in a month or two to again take up the reins of power for a time, but his illness is likely to recur later with increasing violence. Lij Yasu, who was announced as his successor and heir some time ago, has not yet been publicly proclaimed to the people, a large number of whom are antagonistic to him owing to his father, Ras Michail, being a Mahomedan.

The only hope for the future is that some powerful Chief, such as Fitaurari Hapta Giorgis, may ally himself with the Ras, in which case their united armies might hold in check any ordinary combination likely to be brought against them.

I have, &c.
(Signed) HERBERT HERVEY.

[39356]

No. 239.

The Marquis di San Giuliano to Sir Edward Grey.—(Received November 11.)

(Translation.)

THE Italian Ambassador presents his compliments to Sir E. Grey, and, with reference to his communication of the 17th ultimo, has the honour to inform him that the Italian Government propose to instruct Colli di Felizzano, who will shortly return to Adis Ababa, to take formal note with the Emperor Menelek of the designation of the heir to the throne in the person of Ligg-Jasu.

Italian Embassy, London, November 9, 1908.

[39660]

No. 240.

Lord H. Hervey to Sir Edward Grey.—(Received November 14.)

(No 34.)

Sir,

Adis Ababa, October 23, 1908.

I HAVE the honour to report that, in accordance with the instructions in your telegram No. 22 of the 17th instant, I delivered your message about the Southern Frontier Commission, in writing, to the Minister for Foreign Affairs, for presentation to the King. It is extremely doubtful, however, if the communication will reach its destination for some time to come, as the doctors will not allow any matter of business to be even mentioned in His Majesty's presence, and the Queen is continually at hand

to see that their orders are carried out. The transmission of the message verbally is thus out of the question.

Sir John Harrington had an interview with the Queen before leaving, but Her Majesty is evidently afraid to take any initiative, and none of the Rases or Ministers dare to move in the matter without instructions. I have since been in communication with the Queen and all the principal Chiefs concerned, who have now been made aware of the tenour of the message sent by His Majesty's Government, but although I have received promises that the Commissioners will be appointed very shortly, I believe they are still waiting for the King's sanction before taking action. In the meantime I have received Major Gwynn's passes for the frontier, and he intends starting for Ginir to join his caravan to-morrow. Any special instructions can be sent out by messenger, who will have no difficulty in overtaking him.

I am continuing to make every effort to get this matter settled, and in the course of a few days will again report the result telegraphically.

I have, &c.
(Signed) HERBERT HERVEY.

[40265]

No. 241.

International Ethiopian Railway Trust and Construction Company to Sir Edward Grey.—(Received November 18.)

Sir,

34, Clement's Lane, London, November 17, 1908.

AS we are still without any reply to the letter we addressed to you on the 27th May last, in reference to the affairs of the Ethiopian Railway Company, we now find ourselves under the imperative necessity of requesting you to endeavour to obtain from the French Government an immediate and categorical reply to the representations we have made for fair and reasonable treatment of the British commercial interests which we represent.

The question has now become one of extreme urgency, for we have received reliable information that a "Projet de Loi" has been prepared by the French Government approving a Convention between the Government and the new Railway Company established to take over the Vitalien Concession, by which the transfer of the assets of the Imperial Ethiopian Railway Company to the new Company will be completed, and our legitimate interests, together with the interests of the other shareholders and creditors, sacrificed.

We have reason to believe that it is the intention of the French Government to hasten the passage of the proposed Law through its various stages as quickly as possible, so as to oppose to the representations you have made on our behalf the *fait accompli*.

In these circumstances, and in view of the neglect of the French Government to reply to the representations made by the British Government on our behalf, we are reluctantly compelled to come to the conclusion that we have no alternative but to submit the whole of the facts to the judgment of our shareholders and of the British public.

We should then have to state—

1. That, with the knowledge, consent, and in some cases at the instance of the French Government, we advanced large sums of money to the Imperial Ethiopian Railway Company.

2. That the French Government having, by our financial assistance, secured the object which they desired, viz., to keep the Imperial Ethiopian Railway Company alive, they then compelled the Railway Company to go into judicial liquidation.

3. That the French Government then, under threats of confiscating the whole of the property of the Railway Company, compelled the Judicial Liquidator to agree to sell the Company's assets for a sum less than one-third of the value placed upon them by the Judicial Liquidator on the lowest possible estimate.

4. That the new Railway Company, to which and for whose benefit this forced sale was to be made, has been formed by a French financial group in close relations with the French Government, and that not only its debenture capital, but its share capital, is to receive a guarantee of 3½ to 4 per cent. interest from the French Government.

5. That consequently, by the action of the French Government, the Imperial Ethiopian Railway Company will be robbed of a sum, even on the rigorously depreciated

[1557]

figure of the Official Liquidator, of from 15,000,000 fr. to 20,000,000 fr., the new Company composed of the financial associates of the French Government benefiting by a corresponding amount.

6. That the French shareholders and creditors of the old Company, who have protested against this action on the part of the French Government, have been told that the transaction was necessitated by "raisons d'État," in order to withdraw the control of the railway from the British group. Deputies and Senators have been warned that if they oppose the Government proposals they will be accused of unpatriotic conduct.

7. That this explanation is demonstrably untrue, since, from the moment when we learnt that the French Government desired, for political reasons, that the railway from Adis-Ababa should be under exclusively French auspices, and that the British and Italian Governments had agreed to this, we have declared our willingness to transfer the whole of our commercial interests either to the French Government or to its nominees in return for fair and reasonable compensation. This offer, as you are aware, has again and again been made in the letters which we have had the honour to address to you on the subject.

8. That, consequently, the only inference that can be drawn is that the French Government is either the accomplice or the dupe in a financial transaction in which British and French investors are to be deprived of their property for the benefit of a group of French financiers in close relations with the French Government, and that the presence of British capitalists is used as a cloak to cover up this iniquitous transaction.

This brief summary of the case which we shall have to present to our shareholders and to the British public, should the French Government persist in its refusal to respond to the representations you have on four separate occasions addressed to it on our behalf is, as you are aware, by no means exhaustive; but in view of the desire which we share with the great majority of our countrymen for the maintenance of the most cordial relations between the two Governments and peoples, we are unwilling to give publicity to facts which must certainly be regarded as furnishing a very striking commentary on the value of the *entente cordiale*, one of the chief recommendations of which was that it would facilitate the treatment on just and equitable lines of precisely such questions as that arising out of the affairs of the Ethiopian Railway Company. We therefore, before taking any further steps, address to you once more an urgent appeal again to make representations on the subject to the French Government, with the view of obtaining justice for the British interests involved.

There are two other points to which we desire to direct your attention:—

The first is that by Article 6 of the Tripartite Agreement of the 13th December, 1906, the three Governments agree that the Jibuti Railway shall be prolonged to Adis-Ababa, either by the Ethiopian Railway Company, "or by any other private French Company which may be substituted therefor," &c. The point to which we specially wish to draw your attention is that the new Company is not a private Company, but a Company founded and controlled by the French Government, which guarantees the whole of its capital.

The second point is that we have the strongest grounds for stating that there exists a grave and important difference between the text of the Amharic version of the Concession granted by His Majesty the Emperor Menelek on the 30th January last to Dr. Vitalien and the French text of the same instrument. In the French version published in Paris it is stated that the acquisition of the existing line between the Abyssinian frontier and Diré-Daouah shall be "à la charge de la nouvelle Compagnie." In a literal French translation of the Amharic text which we have obtained from a reliable source the stipulation is expressed to be as follows:—

"L'argent qui a été employé par la première Compagnie pour la construction du chemin de fer entre notre frontière et Diré-Daouah devra lui être remboursé par la nouvelle Compagnie qui a reçu cette Concession."

We therefore request that you will be so good as to obtain both the Amharic and French texts of the Concession, as it is obvious that if the translation of the Amharic text supplied to us is correct, the stipulations made by the Emperor Menelek as to the terms on which the existing railway in Abyssinia is to be acquired by the new Company from the old Company have been grossly violated in the arrangement which the French Government has provisionally forced the Liquidator of the old Company to

accept, and which it is now using every endeavour to induce the shareholders and creditors of the old Company to accept, while refusing to communicate to them the text of the Vitalien Concession.

We have, &c.
(Signed) OCHS BROTHERS,
Managing Directors.

[40623]

No. 242.

Lord H. Hervey to Sir Edward Grey.—(Received November 21.)

(No. 35.)

Adis Ababa, October 30, 1908.

Sir,

I HAVE the honour to acknowledge receipt of your despatch No. 93 of the 30th ultimo, with reference to the continued employment of Mr. Zaphiro, Southern Frontier Inspector, after the termination of his present engagement.

The Delimitation Commission does not expect to commence its labours, starting from Dolo, till about the 1st December next. Mr. Zaphiro has already been instructed to meet the Commissioners at that place and accompany them during their work. His knowledge of the frontier tribes, their habits and habitats, his acquaintance with the Galla language and native dialects, and the study he has made of the topography of his district, the water supplies, favourite haunts of the elephant, and so forth, make his presence with the Commission almost indispensable.

Major Gwynn expects to reach Lake Rudolph about the second half of March 1909, so that shortly after that date the central portion of the line would be left entirely unguarded if the Inspector is withdrawn.

Owing to the protracted illness of the Emperor Menelek, and the consequent loosening of his grip on the outlying portions of his dominions, a state of lawlessness exists on the southern frontier unparalleled in recent years. Mr. Zaphiro reports that many hundreds of elephant-hunters crossed the line at various points, slaughtering male, female, and young elephants, and looting the tribes nominally under our protection. With the little band of men under his control Mr. Zaphiro is practically powerless to check them, but his presence does to a certain extent prevent outrages being committed on the natives themselves, as the delinquents are aware that their acts will be reported here, and fear the possible consequences; with regard to the elephant-hunting, this is not the case, as there is no doubt that the Emperor and other leading Abyssinians connive at what takes place, taking their share of the spoils.

If the frontier after delimitation is to be left for some months or a year without any control, I fear the effect on the natives on our side of the line will be disastrous, and their confidence in and respect for British protection, once lost, will not be easy to regain. For these reasons I submit that the Inspector should not be withdrawn pending the fruition of the scheme for the permanent control of the frontier, but that, on the contrary, his scanty force should, if possible, be strengthened.

I have, &c.
(Signed) HERBERT HERVEY.

[40265]

No. 243.

Sir Edward Grey to Sir F. Bertie.

(No. 71. Africa.)

Foreign Office, November 24, 1908.

Sir,

WITH reference to my despatch No. 59, Africa, of the 3rd ultimo, relative to the affairs of the Ethiopian Railway Trust and Construction Company, I transmit to your Excellency herewith a copy of a further letter from the Company respecting the present position of the question.*

In view of the situation disclosed in this letter, I request that your Excellency will take an early opportunity of verbally reminding the Minister for Foreign Affairs of the fact that no reply has yet been received to my Memorandum of the 2nd July last, of which a copy was forwarded to your Excellency in my despatch No. 44, Africa, of the 6th July last.

Your Excellency should point out to M. Pichon that if the Convention between

* No. 241.

216

the French Government and the new Company that has been formed to take over and continue the existing Jibuti Railway to Adis Ababa becomes law before any consideration has been given to the special position of the Trust Company towards the old Railway Company, as set forth in my Memorandum already referred to, and without any reply having been returned to that paper, an unfortunate impression will be produced in this country by the publication of the history of the whole case, which the Directors of the Trust Company contemplate in order to defend their responsibility to their shareholders.

I am, &c.
(Signed) E. GREY

[40265]

No. 244.

Foreign Office to Ethiopian Trust Company.

Gentlemen,

Foreign Office, November 24, 1908.

I AM directed by Secretary Sir E. Grey to acknowledge the receipt of your letter of the 17th instant relative to the position of your Company in the affairs of the Ethiopian Railway Company.

I am to inform you, in reply, that the substance of your letter of the 27th May last was communicated to the French Ambassador on the 2nd July last. No answer has as yet been received from the French Government, and His Majesty's Ambassador in Paris has now been instructed to press for a reply.

I am, &c.
(Signed) W. LANGLEY.

[41512]

No. 245.

Mr. Grahame to Sir Edward Grey.—(Received November 28.)

(No. 57. Africa.)

Sir,

Paris, November 26, 1908.

WITH reference to your despatch No. 71, Africa, of the 24th instant, I have the honour to inform you that I to-day spoke to the Political Director of the Ministry for Foreign Affairs on the subject of the Ethiopian Railway Trust and Construction Company.

I told M. Louis that a despatch from you instructing His Majesty's Ambassador to bring the position of affairs to the notice of M. Pichon had arrived after his Excellency's departure for England, and that I desired to call his particular attention to the matter without delay. A Memorandum had, I said, been addressed on the 2nd July last to the French Ambassador in London on the subject, as well as a further communication, dated the 3rd October, reminding M. Cambon of the matter, but no reply had been received. Sir Edward Grey desired that it should be pointed out to the French Government that if the Convention with the new Company formed to take over and continue the existing Jibuti Railway to Addis Ababa was submitted to and approved by the Legislature before any consideration had been given to the special position of the Trust Company towards the old Railway Company, as shown in the Memorandum to the French Ambassador, dated the 2nd July, and without any reply having been returned to that communication, a most unfortunate impression would be produced in England by the publication of the history of the case which the Directors of the Trust Company contemplated.

M. Louis replied that attention would at once be given to the matter. He believed that there was a radical divergence between the views held by the Trust Company of their claims and that taken by the Ministry of the Colonies in regard thereto, but he quite agreed that the communication from the Foreign Office should not be left without a reply, even if that reply had to be that the French Government maintained the position already explained in previous communications.

I have, &c.
(Signed) GEORGE GRAHAME.

217

[42357]

No. 246.

Memorandum communicated by M. Cambon, December 2, 1908.

L'AMBASSADEUR de France aurait répondu depuis longtemps au Mémoire que le Secrétaire d'Etat pour les Affaires Etrangères a bien voulu lui adresser, le 2 Juillet dernier, au sujet de la réclamation de l'International Ethiopian Trust and Railway Company si ce Mémoire n'avait cité des déclarations que les représentants de la Société Anglaise prétendaient avoir reçues de M. Klobukowski, alors Ministre de France au Caire, aujourd'hui Gouverneur-Général de l'Indo-Chine Française, et de M. Guernaut, alors Directeur au Ministère des Finances, aujourd'hui Sous-Gouverneur de la Banque de France. Il était donc nécessaire de communiquer à ces hauts fonctionnaires le Mémoire qui faisait état de leurs paroles, et le temps exigé par ces correspondances a seul causé le retard de la présente réponse.

M. le Gouverneur-Général de l'Indo-Chine et M. le Sous-Gouverneur de la Banque de France démentent formellement les allégations des représentants de la Trust Company. Ni l'un, ni l'autre n'ont jamais demandé que cette Société prêtât son concours financier à la Compagnie des Chemins de Fer Éthiopiens; ils ont, au contraire, déclaré au Comte de Chesterfield, à M. Ochs, et à M. Acat qu'ils étaient opposés à toute intervention de ce genre et, pendant les entretiens de Février 1907, M. Guernaut et M. Klobukowski ont tenu aux représentants de la Trust Company un langage très précis exactement contraire à celui qui leur est prêté.

Les allégations erronées que la Trust Company a présentées au Foreign Office éclaireront le Secrétaire d'Etat pour les Affaires Etrangères sur l'attitude prise par cette Société et sur les procédés employés par ses représentants.

Quant au fond même de l'affaire, l'Ambassadeur de France ne peut que se référer à ses notes du 31 Janvier et du 30 Mars dernier, et il fait observer une fois de plus que la réclamation de la Trust Company est une affaire d'ordre judiciaire qui relève uniquement des Tribunaux Français.

*Ambassade de France, Londres,
le 2 Décembre, 1908.*

[42234]

No. 247.

Sir Edward Grey to Sir F. Bertie.

(No. 5. Africa.)

(Telegraphic.) P.

Foreign Office, December 3, 1908.

THE Ethiopian Trust Company have informed me that the Ethiopian Railway Company have had the alternative of accepting within forty-eight hours from yesterday impossible conditions, or of having their "déchéance" pronounced, presented to them by the French Government. In such case the French Government will, without considering the representations of His Majesty's Government, sacrifice the interests of British shareholders.

Before these interests are definitely lost, the Company consider it of great importance that your Excellency should personally request Minister for Foreign Affairs to reply to my Memorandum of the 2nd July last, inclosed in my despatch No. 71, Africa, of the 24th ultimo. Situation is one where your Excellency can best judge and decide as to the advisability of proposed action, but it would be desirable that the French Government should be aware that if the Trust Company disclose the facts of the case here, an impression that they have been very hardly treated will be created. It may therefore in such a case be necessary for His Majesty's Government to request the Government of the Republic to submit to arbitration the question of the amount of compensation which it would be equitable for the Trust Company to receive, when all the facts of the case are taken into consideration.

[42408]

No. 248.

Lord H. Hervey to Sir Edward Grey.—(Received December 5.)

(No. 36.)

Sir,

Adis Ababa, November 7, 1908.

I HAVE the honour to inclose extracts from reports recently received from Mr. P. Zaphiro, the Southern Frontier Inspector.

[1557]

3 K

From these it will be seen that a most unsatisfactory state of things now exists on the border, many hundreds of Abyssinians crossing the line with impunity for the purpose of shooting elephants. With the limited force at his disposal, some twenty to thirty men, Mr. Zaphiro is powerless to check their depredations, ranging over a frontier many hundreds of miles in length.

An Abyssinian raid into the Turkhana country west of Lake Rudolf (doubtless the one mentioned by Mr. Zaphiro) was reported by Lieutenant-Colonel Sir J. Hayes-Sadler, and I made strong representations on the subject to Ras Walde Giorgis, through whose country the marauders must have come. He promised to consider the establishment of a strong force by the Omo River, although he anticipates difficulty in keeping men there owing to the region being infested by malaria.

With regard to the elephant-hunting east of Lake Rudolf, I have several times urged Fitaurari Hapta Giorgis, through whose country the invaders come, to take effective measures to check it, and I have supplied him with the fullest information possible to enable him to identify the delinquents; he promises to have them punished; but as he is sure to receive his share of the ivory, I am afraid any action he may take will be but half-hearted. As the Emperor's health has improved considerably of late, it may be possible before very long to bring all these matters to his notice, in which case we may hope for some steps to be taken; but it must always be borne in mind that he considers his own hunters are specially entitled to shoot on either side of the line—in fact, he said as much to Sir John Harrington, who endeavoured to convince him of his error.

In addition to the decimation of the herds by the indiscriminate slaughter of female and immature elephants, I am told that large numbers of these animals are moving off eastwards and taking refuge in Italian territory, where they are at present less molested.

It is to be hoped that the presence of the Delimitation Commission on the frontier will, for the time being, serve as a check; but given the apathetic attitude of the Abyssinian authorities, the only satisfactory solution of the question is the prompt establishment of a force under our control sufficiently strong to turn back any ordinary-sized bands found crossing the line.

I have, &c.
(Signed) HERBERT HERVEY.

Inclosure 1 in No. 248.

Extracts from Mr. Zaphiro's Report, dated August 23, 1908.

I ARRIVED on the Boran Frontier after a very difficult journey in forty-two days. The Emperor Menelik has given permission to all hunters to shoot elephants, so there are hundreds of them south of the line killing elephants and oppressing the natives. My soldiers watching men near Torbi report that 200 Tigreans with rifles are shooting elephants; they have killed one Gubra and wounded another for refusing to give them food; they go to the villages south of the line and take what food they want by force. The natives ask me to protect them, but I cannot see how I can do it with twenty soldiers.

A messenger from Jarra reported that people from Tigre have crossed the line at Jarra Gahrri and killed many elephants. One of them shot at a Boran, because he refused to give him food, and missed him.

Twelve Rendilli Chiefs reported that 200 Abyssinians and Tigreans with rifles arrived from the direction of Dejaz Biratu's country, Bako, and raided the Rendille tribes Sale and Rangoumo near Rudolf, taking 4,400 sheep and goats; also that forty Tigreans and Abyssinians with rifles went to Kalkaltcha, below Coroli Rendille, killing many elephants and raiding the natives.

Gallarassa, Chief of Golbo, reports seventy-five Abyssinians at Waye killing elephants; the natives ran away, so did the two soldiers who are watching the place. Tigreans are also reported six hours from Moyele, who declare that the Emperor gave them permission to shoot elephants wherever they like.

There are many thousands of natives waiting now for eight years to be protected by the British Government and have peace. This boundary is most important, because by stopping those Abyssinians from going south depends the commercial welfare of British East Africa. It is all over the same; the Government might look upon it

when it is too late, while now if we take steps we might prevent in the future further disturbance.

All the Tigrean soldiers of Ras Mangasha, Ras Zibhat, and Agos Tafari arrived here; the Abyssinian authorities here are afraid of them, and if we do not take strong steps to stop them, through Menelik, there will be very serious trouble very soon.

Further, I have the honour to inform you that rinderpest has broken out in the Boran country; on the highlands thousands of cattle are dying daily. The rinderpest did not reach Golbo, so no Boran or Abyssinian soldiers have permission from me to cross the line for the present.

Inclosure 2 in No. 248.

Extracts from Mr. Zaphiro's Report, dated October 2, 1908.

THE Abyssinians have lately changed their policy concerning the frontier. Being aware that I have no more than twenty to thirty soldiers to patrol a populous country, and a line of 400 miles long, they take no notice of me, and are crossing the line by hundreds, destroying the elephants and oppressing the natives on our side. These, seeing that their complaints are disregarded, commence to lose confidence, many of them crossing the line so as to avoid the Abyssinian hunters.

A raid was made lately by Fitaurari Imani's soldiers (Governor of Tchentcha, north of Gardula, who is under Fitaurari Hapta Giorgis) on the west side of Rudolf (British soil). This raid was accompanied by a European; it is reported they killed many natives and took numberless cattle and donkeys.

You will see that all the officers and principal hunters who have had trouble with me have been promoted, and those who befriended me were dismissed, e.g., Basha Woldi Gabriel. The hunters Desta, Zerefu, and seven others who continually went to the south of the line to kill elephants have been promoted by the Emperor himself.

Lately the principal hunter Desta arrived here with thirty soldiers; he was supposed to have a letter from the Emperor to kill elephants on the north of the line. I had news of his arrival and watched him carefully; he killed eleven elephants near the line, but was not satisfied, and crossed the line at Toraba, where he killed seven elephants. I got hold of one of his soldiers with his rifle, and I also confiscated his flour, berberi, &c., which I found on a tree south of the line.

It was also reported that the Italian officer at Lugh (probably M. Perducchi) had been sending letters to the natives on our side to cross the Ganalle River, saying that the Abyssinians would not raid them in future, and that if they did not come he had orders from the Emperor to raid them. (Native reports.)

From Muggad to Tuka and all over the Golbo there are over 1,000 Abyssinian hunters who call themselves Tigreans, killing indiscriminately all kinds of elephants and obliging the natives by force to give them food. They killed over 150 elephants lately.

September 18.—Over 200 hunters crossed the line at Waye Golbo, destroying a great number of elephants; they very nearly killed a Boran who told them not to shoot elephants in Golbo.

September 22.—All over the Rendille country there are reported to be hundreds of Abyssinians destroying elephants.

42401]

No. 249.

Sir F. Bertie to Sir Edward Grey.—(Received December 5.)

(No. 58. Africa. Confidential.)
Sir,

Paris, December 4, 1908.

WITH reference to Mr. Grahame's despatch No. 57, Africa, of the 26th ultimo, I have the honour to inform you that Captain England, one of the representatives of the Ethiopian Trust Company, came yesterday morning to His Majesty's Embassy and stated that the *déchéance* of the Railway Company was about to be declared by the French Government, practically without giving them notice.

Later in the day Mr. Gilmour and Captain England came to see me, and stated that they were unable to determine exactly whether the report which they had heard was true, or whether it was merely bluff on the part of the French Colonial Ministry.

220

but they begged that I would make representations to the French Minister for Foreign Affairs without delay on the subject of the attitude of the French Government towards the Trust Company, for they had learnt from London that instructions to that effect were about to be addressed to me by the Foreign Office. Mr. Gilmour, in reply to a question as to the arrangement arrived at in January last by the Liquidator also under the threat of the *déchéance* being pronounced, gave some explanations as to the reason why that arrangement was not a definite one.

I told Mr. Gilmour that I had an appointment to see M. Pichon at 6 o'clock, and that I would remind his Excellency of the representation made by His Majesty's Chargé d'Affaires to the Political Director, and state to him that the question of the treatment of the Trust Company was one which deserved his Excellency's serious attention.

When I saw M. Pichon I found that he had no recollection of the Political Director having reported to him the representation made by Mr. Grahame. I therefore gave him a copy of the *aide-mémoire* which had been left with M. Louis unofficially. I have no doubt that the Political Director informed the Ministry for the Colonies directly of Mr. Grahame's representation without referring the matter to M. Pichon, who at that time was engaged in the Debate in the Chamber on the Estimates. M. Pichon told me that he would speak to the Minister for the Colonies on the subject of the interests of the Trust Company, but the matter had become very complicated owing to the several divergent interests concerned, the impossibility owing to parliamentary objection of allowing the Trust Company to become *associés* in the new Company, and the uncompromising attitude of the representatives of the Trust Company.

I received your telegram No. 5, Africa, of yesterday's date, after seeing M. Pichon at the Quai d'Orsay. His Excellency dined at the Embassy, and in the course of the evening I informed him of the instructions which you had telegraphed to me. He begged me to send a résumé of them to the Political Director, as he himself would not be in Paris to-day. I accordingly transmitted to M. Louis in a private letter the inclosed Memorandum.

I have, &c.
(Signed) FRANCIS BERTIE.

Inclosure in No. 249.

Memorandum communicated by Sir F. Bertie to M. Louis.

THE Ethiopian Trust Company have informed the Foreign Office that the French Government have given the Railway Company forty-eight hours from the 2nd December to accept conditions regarded by them as impossible, and that if they do not accept them the *déchéance* of the Company will be pronounced.

Should this be true, the interests of British shareholders will be sacrificed without consideration being given to the representations of His Majesty's Government, who believe that the disclosure of the facts by the Trust Company will create an impression in England that they have been very badly treated.

In that case His Majesty's Government may find themselves obliged to ask that recourse should be had to arbitration, in order to fix the amount of compensation, which, having regard to all the facts of the case, it would be equitable for the aggrieved parties to receive.

Paris, December 3, 1908.

'40623]

No. 250.

Foreign Office to Colonial Office.

Sir,

Foreign Office, December 9, 1908.

I AM directed by Secretary Sir E. Grey to transmit to you, for the information of the Secretary of State for the Colonies, copies of correspondence, as marked in the margin,* between Sir E. Grey and His Majesty's Representative in Abyssinia, relating to the position of Mr. Zaphiro, the Acting Inspector on the southern frontier of Abyssinia.

* Nos. 216, 220, and 242.

220 A

[42773]

No. 249*.

Sir J. Harrington to Sir Edward Grey.—(Received December 7.)

Dear Sir Edward, R.M.S. "*Lusitania*" at Queenstown, December 6, 1908.
AS promised, I am sending you a short Memorandum on the present political situation in Abyssinia. It has been created by the action of the French. I must crave your indulgence for it, as it was written under circumstances of difficulty.

Yours very sincerely,
(Signed) JOHN L. HARRINGTON.

P.S.—I could, if required, enter into more detail about French behaviour in Abyssinia.

J. L. H.

Inclosure in No. 249*.

Memorandum respecting Abyssinia.

PREVIOUS to resigning my position as His Majesty's Representative in Abyssinia, I consider it my duty to submit, for consideration of His Majesty's Government, the following observations on the present situation in Abyssinia, particularly as regards our own position there.

The position in 1906, as admitted to me by the then French Minister, was that no Representative was able to make any move with any reasonable hope of success if his action was one that was not approved of by the British Representative. Since the signing of the Tripartite Agreement of December 1906 the position has entirely changed, and British influence may be said to be absolutely non-existent. This is due entirely to the actions and conduct of the French Special Envoy, M. Klobukowski, in 1907, whose policy, as far as I am able to ascertain, has been followed out by his successor, M. Brice.

In view of the fact that Menelek's health is undoubtedly bad, and that even if His Majesty recovers his bodily health it is more than doubtful whether he will be capable, without serious risk, of the mental effort necessary to enable him to properly direct affairs in his kingdom, and that, should he die, the question of the succession, as there is already a very strong party opposed to the nominated successor, Lij Yasu, on the grounds that his father is a Mahomedan convert to Christianity and his mother a very doubtful daughter of Menelek, while there is a strong party growing in favour of the succession of Dejazmatch Tafari, the son of the late Ras Makunan, may involve us in most serious difficulties, I consider that the time has now come when His Majesty's Government, if they wish, so far as is humanly possible, to lessen or avoid them, must decide as to what their future policy is to be.

It is unnecessary to recapitulate the importance to us of Abyssinia, and the undesirability of the possibility of its falling under the predominant influence of any country, which at some future time may, in the course of events over which statesmen have no control, become hostile to us. Our interests in the Soudan, East Africa, and Somaliland are too important in my humble opinion to allow us to run any such risks, as such an event as Abyssinia under the influence of an unfriendly Power would entail enormous expense on us and the Anglo-Egyptian Government of the Soudan in properly protecting our frontiers. The principal object of the Tripartite Agreement of the 13th December, 1906, was to avoid, so far as possible, by a previous arrangement, any difficulties which might arise over disputed succession, and to maintain if possible Abyssinia as an independent kingdom. There was, if I understood the views of His Majesty's Government, no idea of dividing Abyssinia into spheres of influence, and, if I correctly understood Sir Eldon Gorst, who was then in charge at the Foreign Office of Abyssian affairs, His Majesty's Government had for this reason particularly avoided the use of the words "spheres of influence" in the Agreement, and their idea was that,

[1557]

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except as regards the construction of the railway from Djibuti to Adis Ababa by a *private* French Company, Abyssinia was to be regarded as an absolutely independent country. Further, I understood that the views of His Majesty's Government were that the Agreement was made with a view to ending the rivalry between the three Powers Signatory to the Agreement, and with a view to the common action of their respective Representatives towards ameliorating the situation of Europeans, and particularly the subjects of the three Signatory Powers in Abyssinia. By the terms of the Agreement, the Representatives of the three Signatory Powers were to keep one another informed of their action or proposed action in any matters which concerned the interests of any one of them. Unless I misunderstood him, M. Louis, Director of Foreign Affairs in the French Foreign Office, informed me, when I saw him in 1907, that the French Government held identically the same views as those which I understood to be the policy of His Majesty's Government.

Unfortunately, the action of the French Government, through their Representatives in Abyssinia since the signature of the Agreement, has been such that its purpose has been stultified, and its effect, in the opinion of the few Abyssinian Chiefs of influence who in any degree study the foreign relations of their country, is that Great Britain and Italy have handed Abyssinia over completely to France.

The French Government hardly any longer conceal their view of Abyssinia as a purely French preserve, and by every means in their power they are fostering French influence and laying the ground to establish the claim to be the paramount Power in Ethiopia and the arbiter of its destiny.

His Majesty's Government are aware of the history of M. Klobukowski's recent negotiations with Menelek for the new Railway Concession. It is no exaggeration of the truth to say that during the whole time he was in Abyssinia the French Envoy (who both in Paris and Cairo was given in the interests of loyally observing the Agreement every information that I possibly could to enable him to make his mission a success, and which information I have learned from reliable Abyssinians he turned in the interests of France entirely to the disadvantage of British interests) treated the Tripartite Agreement as a negligible quantity, and so far from making any attempt to confront the the Abyssinians with the united policy of the limitrophe powers emphasized the position of France as the friend and protector of Menelek against the designs of Great Britain and Italy.

The 1906 Agreement assented to the continuation of the railway by the existing Company or any other *private* French Company. The proposed Convention between the French Government and the nominal holder (who is the French Government's dummy) of the new Concession acquired from Menelek is replete with clauses which convert the line into the property of the French Government, thereby securing them what is in a country where the Government is weak a powerful political lever for future use in Abyssinian affairs.

Under the guise of seconding Menelek's desire to join the Universal Postal Union, a step which panders to his personal vanity, and of instructing the Abyssinians in European postal methods, the French, although thoroughly aware that Menelek had placed himself in the hand of the Italian Government as regards this matter, have established a purely French postal service between Harrar and Dire Dawa and the capital, and they have gone so far as to indirectly attempt to prevent His Majesty's Legation from continuing their own postal service. French agricultural experts and veterinary surgeons have been lent to the Emperor. French doctors receiving nominal pay from the Emperor, and at the same time pay from the French Government, have been sent out to them, and one of them has taken charge of the hospital, originally started and maintained by the Russian Legation, and given up by them in 1906. The French Government have bought, through M. Klobukowski, the hospital built by the late Ras Makunan in Harrar, and are maintaining this as a French Government Institution. The French have also, as admitted to me by the Abyssinian Minister of Foreign Affairs, deliberately, in face of the Agreement, made proposals to the Abyssinians to allow the "Banque de l'Indo-Chine" to establish itself at Adis Ababa, notwithstanding that they have been assured that His Majesty's Government have no political concern with the Bank of Abyssinia, which is international, on whose Board France is represented, and whose stability depends entirely on the clause in its charters which gives it sole banking rights in Abyssinia for a number of years.

The Bank is absolutely non-political, and is, or should be, a concrete expression of the idea underlying the Tripartite Agreement, yet the French Government flagrantly violate that idea and try to start a purely French Bank, an attempt which has not yet definitely failed.

The Reporter of the Committee on the French Diplomatic and Consular vote, on presenting the Committee's report to the Chamber, dwells on the position of Djibuti as the *only* outlet for Abyssinian commerce, and the whole tone of that part of the report which deals with Abyssinia is that the country is a French reserve. I venture to think that it is highly necessary to see to it that this individual policy shall not go on unchecked. I believe that the consensus of opinion is that the prosperity of Egypt and the Soudan would be materially damaged were Abyssinia under the predominant influence or in the possession of a Power of a possibly hostile Power.

I have always understood the policy of His Majesty's Government was to maintain the independence of Abyssinia as being a policy most conducive to British interests, and one which would avoid, if possible, the necessity of having, if that independence is threatened, to either fight or take possession of all the territory whose waters flow into the Nile. This alone is reason enough why we ought not to allow any one Power to possess an influence stronger than ours in Abyssinia.

Furthermore, the pretensions put forward by the French in view of the relative geographical situation of the three limitrophe Powers are ridiculous; their attitude in Abyssinia at the present moment is aptly described by a remark made to me by my German colleague: "The French treat Abyssinia as if it were already a French possession."

It is impossible for any sane man to believe that the French have made the sacrifices they have done in money, and which they propose to continue to do by guaranteeing the interest on the capital required for the extension of the railway to Adis Ababa without some other ulterior object than the mere commercial development of Djibuti. I have always been under the impression that an independent Abyssinia is, from the point of view of His Majesty's Government, far to be preferred to any division of Abyssinia into spheres of influence. This latter course would be welcome both to France and Italy, but it involves—

- (a.) Difficult explanations to the Abyssinian Government, to whom we have steadfastly affirmed the independence of Abyssinia as the base of our policy there.
- (b.) Bargaining with France and Italy, always an unpleasant process.
- (c.) The danger of German intervention.
- (d.) Increase of our responsibilities and of our expenditure.

The condition of Abyssinia may indeed become so desperate that a partition may be forced upon us against our will, but before that comes everything should be done to preserve her independence. This independence must, however, be such, in fact, and not merely a name under which France cloaks her suzerainty.

By the Tripartite Agreement, Great Britain made considerable sacrifices as regards her position in Abyssinia to France. This was done with a view to maintaining the independence of Abyssinia, and I consider that the time has come when His Majesty's Government should insist on the same loyal observance by France of the Agreement as she has received from us. I have no hesitation in declaring that since the arrival of M. Klobukowski in Abyssinia all the actions of the French Representative have been diametrically opposed to what I understood to be the spirit of the Agreement as conceived by His Majesty's Government.

To quote specific instances of what can be considered as nothing else than disregard of the Agreement, I would mention the actions of France in the matter of Abyssinia entering the Postal Union, in inviting Menelek to nominate M. Lagarde (?) as his representative at the recent Arms Conference without consulting either of the other two Signatory Powers, and their attempt to gradually acquire a monopoly of the various official posts in which the services of competent Europeans are a real benefit to a country such as Abyssinia, and which moreover greatly increase the influence of the country supplying the officials.

Further, it has been admitted to me short of actually mentioning the French Legation by name, both by Menelek, the Queen, and various high Abyssinian Chiefs, that M. Klobukowski supported the intrigue against me last year with a view to obtaining my removal from Abyssinia.

In conclusion, I have no hesitation in saying that since the signature of the Tripartite Agreement the attitude of the British Legation in Abyssinia has been one of loyal observance of it, and in my humble opinion the time has now come, unless His Majesty's Government wish to see Abyssinia fall entirely under French influence, when they should insist on the French Government instructing their Representative, who up to

the date of my leaving had received no instructions as regards his attitude towards the Representatives of the other two Signatory Powers, to loyally observe that Agreement.

If inquiries are made from the Italian Government regarding the present position in Abyssinia, I think that it will be found that the Italian Government hold as regards the action of the French Government in Abyssinia the same views as I do.

(Signed) JOHN L. HARRINGTON.

R.M.S. "Lusitania," December 5, 1908.

Sir E. Grey understands that the Lords Commissioners of the Treasury have sanctioned Mr. Zaphiro's salary and expenses up to 1909, but, in view of the considerations advanced in Lord Herbert Hervey's despatch No. 35, it seems very desirable that his services should be retained, if possible, until the scheme for the permanent control of the frontier is put into actual effect.

I am therefore to state that Sir E. Grey will be happy to support any representations to this end which the Earl of Crewe may think it desirable to make to the Lords Commissioners of His Majesty's Treasury.

I am, &c.
(Signed) W. LANGLEY.

[43045]

No. 251.

Sir F. Bertie to Sir Edward Grey.—(Received December 10.)

(No. 60. Africa.)

Sir,

Paris, December 9, 1908.

I HAVE the honour to report that a Decree appears in the "Journal Officiel" of to-day's date, declaring the *déchéance* of the Imperial Ethiopian Railway Company. The Decree is dated the 8th December, and is countersigned by the Ministers for the Colonies and for Foreign Affairs.

In the report prefixed to the Decree, it is stated that M. Georges Leygues (then Minister for the Colonies) forbade the Company, by letters dated the 23rd August and the 5th September, 1906, to increase the amount of its indebtedness. The Company ignored this interdiction, and proceeded to contract new loans without the approval of the Minister for the Colonies, thus contravening the terms of the Convention of 1902. A similar contravention was committed by the Company in giving as security for its loans certain property belonging to it at Diré-Daoua, as well as a portion of the line itself. In these circumstances the Company is held to have brought upon itself the *déchéance* in virtue of Article 16, paragraph 2, of the Convention.

I inclose herein copies of the Report and Decree in question.

I have, &c.
(Signed) FRANCIS BERTIE.

Inclosure in No. 251.

Extract from the "Journal Officiel" of December 9, 1908.

Rapport au Président de la République Française.

M. le Président,

Paris, le 8 Décembre, 1908.

LA situation financière de la Compagnie Impériale des Chemins de Fer Éthiopiens a été sans cesse en s'aggravant, au cours de ces dernières années. Bien que la Convention du 6 Février, 1902, approuvée par la Loi du 6 Avril, 1902, ait alloué à cette Compagnie une subvention annuelle de 500,000 fr., à l'effet de la dégager de ses embarras pécuniaires et de lui permettre d'achever la ligne jusqu'à Addis-Harrar, la Compagnie a dû, depuis lors, recourir à des emprunts répétés, en vue de faire face à ses obligations financières.

Saisi par la Compagnie de demandes d'autorisation en vue de nouveaux emprunts, mon prédécesseur, M. Georges Leygues, interdit à la Compagnie, par lettres en date des 23 Août et 5 Septembre, 1906, d'accroître le chiffre de son passif. La Compagnie crut devoir passer outre à cette interdiction et contracta de nouveaux emprunts sans avoir reçu l'approbation du Ministre des Colonies, après avis du Ministre des Finances, contrevenant ainsi aux dispositions du paragraphe 3 de l'Article 5 de la Convention de 1902.

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En outre, la Compagnie donna en gage à son prêteur, pour garantir le remboursement des emprunts, les biens meubles et immeubles qu'elle possède à Dirré-Daoua, ainsi que la ligne elle-même, sur une longueur de 60 kilom., partant de cette gare sur Djibouti. Or, cet engagement constitue une violation de l'Article 5, paragraphe 8, de la Convention de 1902.

Dans ces conditions, nous avons estimé que la Compagnie avait encouru la déchéance, par application de l'Article 16, paragraphe 2, de la Convention.

Si vous partagez cette manière de voir, nous vous serions reconnaissants de revêtir de votre signature le projet de Décret ci-joint.

Nous vous prions, &c.
Le Ministre des Colonies,
(Signé) MILLIÈS-LACROIX.

Le Ministre des Affaires Étrangères,
(Signé) S. PICHON.

Le Président de la République Française,

Sur le rapport des Ministres des Affaires Étrangères et des Colonies :

Vu la Convention conclue, le 6 Février, 1902, entre le Protectorat de la Côte Française des Somalis et la Compagnie Impériale des Chemins de Fer Éthiopiens, notamment l'Article 5, paragraphes 3 et 8, et l'Article 16 ; ensemble la Loi du 6 Avril, 1902, ayant pour objet d'approuver ladite Convention ;

Vu les lettres du Ministre des Colonies au Vice-Président du Conseil d'Administration de la Compagnie Impériale des Chemins de Fer Éthiopiens en date des 23 Août, 1906, 5 Septembre, 1906, et 14 Février, 1907 ;

Vu la lettre des Ministres des Affaires Étrangères et des Colonies au Vice-Président du Conseil d'Administration de la Compagnie Impériale des Chemins de Fer Éthiopiens en date du 27 Mars, 1907 ;

Vu la lettre des Ministres des Affaires Étrangères et des Colonies à M. Vacher, Liquidateur de la Compagnie Impériale des Chemins de Fer Éthiopiens en date du 24 Décembre, 1907 ;

Vu la lettre des Ministres des Affaires Étrangères et des Colonies au Président du Conseil d'Administration de la Compagnie des Chemins de Fer Éthiopiens en date du 2 Janvier, 1908 ;

Considérant que la Compagnie Impériale des Chemins de Fer Éthiopiens a contrevenu aux dispositions des paragraphes 3 et 8 de l'Article 5 de la Convention conclue, le 6 Février, 1902, entre le Protectorat de la Côte Française des Somalis et la Compagnie Impériale des Chemins de Fer Éthiopiens,

Décète :

Article 1^{er}. La Compagnie Impériale des Chemins de Fer Éthiopiens, en liquidation, est déchue de la Concession qui a fait l'objet de la Convention susvisée du 6 Février, 1902.

Art. 2. Les Ministres des Affaires Étrangères et des Colonies sont chargés, chacun en ce qui le concerne, de l'exécution du présent Décret, qui sera publié aux Journaux Officiels de la Métropole et de la Côte Française des Somalis, et inséré au Bulletin des Lois et au Bulletin Officiel du Ministère des Colonies.

Fait à Paris, le 8 Décembre, 1908.

(Signé) A. FALLIÈRES.

Par le Président de la République :

Le Ministre des Colonies,
(Signé) MILLIÈS-LACROIX.

Le Ministre des Affaires Étrangères,
(Signé) S. PICHON.

[43124]

No. 252.

International Ethiopian Railway Trust and Construction Company to Sir Edward Grey.—
(Received December 10.)

Sir,

34, Clement's Lane, London, December 9, 1908.

IN reference to the affairs of the Imperial Ethiopian Railway Company and to our previous letters on the subject of the British commercial interests which we represent in that Company, we have the honour to inform you that we are this morning in receipt of a telegram from our representative in Paris informing us that the French Government has published in the "Journal Officiel" a Decree pronouncing the déchéance of the Imperial Ethiopian Railway Company.

We will reserve to a future occasion the adequate appreciation of the character of this action on the part of the French Government, and of its effect on British commercial interests, but we desire to communicate the declaration of the déchéance to you without delay and to inform you, as briefly as possible, of the events which preceded that declaration.

We desire, however, in the first place to thank you for the further representations which we understand were addressed last week, on your instructions, by Sir Francis Bertie to M. Pichon in support of the representations addressed several months ago by the Foreign Office to M. Cambon, but to which no reply had been received. As you are doubtless aware, representatives of the Trust Company had the honour of being received last week by Sir Francis Bertie at the Embassy, and in the course of the conversations which took place certain points were raised by the Ambassador as to which we have thought it desirable to cause a Memorandum to be prepared, which we are to-day forwarding to his Excellency, and a copy of which we inclose herewith.

Returning now to the events of last week, we learnt on Wednesday, the 2nd December, that a telegram had been received by the Official Liquidator from an official of the French Colonial Office informing him that if the terms for the transfer of the assets of the Imperial Ethiopian Railway Company to the new Company—embodied in the draft Convention of which a copy had been communicated to the Liquidator—were not accepted within forty-eight hours, the déchéance of the Ethiopian Railway Company would be declared. We were not informed of the exact hour at which the notice would expire, and on Friday, the 4th, a meeting of the shareholders was held in the afternoon, under the presidency of M. Duros, when shareholders representing about two-thirds of the issued capital of the Company were present, and the meeting was also attended by the Commissaire du Gouvernement and by M. Vacher, the Official Liquidator.

We will not trouble you with a detailed account of the proceedings, but will merely say that after listening to a report from the Conseil d'Administration, and after hearing a statement made by M. Vacher, and after several speeches had been made by representative shareholders—both French and British—the shareholders present unanimously adopted the resolution, of which we have the honour to inclose you a copy herewith.

The Commission of nine members met on Monday, the 7th instant, and we also inclose for your information the *procès-verbal* of the proceedings at both the morning and the evening sittings of the Commission, from which you will see that the Commission unanimously rejected the proposals submitted by M. Vacher on behalf of the French Government. We direct your attention particularly to the fact that the decision of the Commission was unanimous, and as a majority of its members were French and represented French interests, it cannot be said that the British group has declined to acquiesce in proposals which were found acceptable by the French shareholders.

We desire also to inform you that the action which was begun some time ago by the Official Liquidator against the Trust Company in the French Courts, for a declaration that certain contracts between the Railway Company and the Trust Company were null and void, came on for hearing on Monday and that the hearing was adjourned until Monday next.

We have, &c.

The International Ethiopian Railway Trust and
Construction Company (Limited),

(Signed) OCHS BROTHERS,

Managing Directors.

Inclosure 1 in No. 252.

Memorandum respecting British Interests in the Ethiopian Railway Company.

IT is not intended in the present Memorandum to deal generally with the case presented on behalf of the British interests in the Ethiopian Railway Company, but merely to deal with two specific points which were raised in the course of the interviews which the British Ambassador in Paris was good enough to accord to Captain England and myself.

But as a preliminary to dealing with these two points I should like to state, in the broadest outline, the grounds on which the assistance of the British Government has been asked for.

It is submitted that where two Governments, for reasons of general policy, agree that a particular public work in the territory of a third Power shall be carried out under the auspices of one of the contracting Governments, the legitimate commercial interests which have come into existence prior to that Agreement are entitled to the protection of both Governments.

In the case under discussion the Emperor Menelik has always maintained that the Concession which he granted in 1894 to M. Ilg was for the construction of a railway by a commercial company. There was no reason, before the signature of the Tripartite Agreement of December 1906, why British capital should not be invested in the Ethiopian Railway. In fact, the participation of British capital in the enterprise was known to be in accordance with the desire of the Emperor Menelik, the grantor of the Concession, and was also believed to be in accordance with the wishes of the British Government, a belief for which some justification is to be found in the language employed by Sir John Harrington at the meeting at Addis Ababa on the 11th April, 1905, in the presence of the Emperor and of the representatives of the other European Powers. (See Appendix (X) in "Abyssinia, the Ethiopian Railway, and the Powers.")

Under the Agreement of December 1906 it was agreed by the three Governments that the extension of the line from Diré-Daoua to Addis Ababa should be constructed under French auspices "either by the Ethiopian Railway Company . . . or by any other private French Company which may be substituted therefor with the consent of the French Government." No provision for the protection of existing British commercial interests in the Railway Company was made in the Agreement, and since the attention of the Foreign Office (see letters from the Trust Company to Sir Edward Grey of the 11th July and the 9th November, 1906) was specifically drawn to those interests and a request made that precautions might be taken for their protection, it must be presumed that His Majesty's Government did not deem any special provision of this nature necessary, in view of the excellent relations existing between the two Governments, and felt that the French Government could be relied on to deal reasonably and fairly with any British commercial interests it might desire to acquire in pursuance of the political policy adopted by the two Governments.

In the case of the British interests in the Ethiopian Railway there were special grounds why the French Government should treat British commercial interests in that railway in an equitable and even generous spirit, since those interests had been acquired in part with the knowledge and consent and in part at the request of the French Government, with the express object of maintaining the Railway Company in being until such time as the diplomatic negotiations then in progress should have reached a favourable issue.

It is submitted that the fair and honourable course which should have been adopted by the French Government was to acquire the British commercial interests in the railway in exchange for reasonable compensation. But instead of adopting this course, the French Government pursued a line of conduct expressly designed to drive the Railway Company into enforced liquidation, and to depreciate its assets with a view to their acquisition by a financial group in close relations with the French Government.

It is unnecessary for the purpose of this Memorandum to recapitulate the measures adopted by the French Government to attain this end, as the history of those measures has been recorded in the series of letters addressed by the Trust Company to the Foreign Office, but it is not unimportant to remember that the

ostensible and avowed object of those measures was to get rid of the foreign element in the Railway Company ("*écraser le groupe Anglais*"). It may be noted in passing that this avowal is difficult to reconcile with the spirit of friendship which is supposed to animate the French Government towards the British Government and people since the conclusion of the *entente cordiale*, but it is apparent that the avowed object was not the real object when it is remembered that the elimination of the British group could have been secured at any time since the signature of the 1906 Agreement by the acquisition on fair and reasonable terms of the British commercial interests in the enterprise acquired before the signature of that instrument.

So much having been said in explanation of the general situation, I proceed to deal with the two specific points to which Sir Francis Bertie directed attention during the recent interviews. These, I think, may be fairly stated as follows:—

1. That the Trust Company had placed itself in the wrong by advancing, between September 1906 and March 1907, various sums of money, amounting in the aggregate to some 50,000*l.*, to the Railway Company without the consent of the French Government;

2. That M. Pichon, when spoken to by Sir Francis Bertie on the 3rd December, had observed that "the Trust Company were impossible people to deal with."

1. In reference to the first point, I would beg to direct attention to the observations made in the Trust Company's letter to Sir E. Grey on the 27th May of this year under the third of the three headings into which M. Cambon's statement then under reply was divided for purposes of convenience. It is not necessary to repeat the facts therein set out, but I would observe that, though on a full examination of the facts it might at first be thought that those who represented the Trust Company committed an error of judgment in making these further advances to the Railway Company without the sanction of the French Government, their action in so doing constitutes at most an error of judgment, and should not be too severely condemned in view of all the circumstances and of the extremely difficult situation in which the Directors of the Trust Company found themselves placed by the action of the French Government.

It is possible that, in the light of subsequent events, the Trust Company would have been well advised had it declined to lend further financial assistance to the Railway Company in August 1906, in which case the Railway Company would have had no alternative but to deposit its balance-sheet early in September and go into judicial liquidation. It would then have been made clear, before the actual signature of the Tripartite Agreement of the 13th December, 1906, but after the date at which it had been initialled by the Representatives of the three Powers, that the Railway Company had been forced into liquidation by the refusal of the French Government to sanction a further issue of bonds six weeks before the date fixed by the French Government itself at which the bonds which the Trust Company had agreed to accept in consideration of its advances to meet the March and June coupons (1906) became negotiable, and before even those bonds had been handed over to the Trust Company. In such an event the absolutely indefensible character of the action of the French Government would have been so clearly demonstrated that, it is submitted, the British Government, when informed of the facts, could not have failed to intervene for the protection of the interests of the Trust.

The decision which the Board of the Trust Company had to take was one of extreme difficulty, and that decision had to be taken before the Trust Company was aware of the refusal of the French Government to sanction a loan for the payment of the September coupon.

On the 2nd August the Railway Company had addressed a letter to the Minister for the Colonies asking for the authorization of the Government to make a fresh issue of bonds to provide for the September coupon, and it was not until the 23rd August that the Minister replied declining to authorize the issue of further bonds, but stating that the Railway Company could raise funds for its requirements "*par tout autre moyen régulier*." Only a week was left for the Railway Company to make the necessary financial arrangements, and after a further attempt to raise the funds elsewhere, the Railway Company sought the assistance of the Trust Company, which, acting on the advice of its French lawyers, consented to advance the sum required on the mortgage of the station at Diré-Daoua and of a section of the line in Abyssinian territory. It was not, however, until the 6th September that the Railway Company received an official letter from the Minister for

the Colonies, dated the 5th of the same month, refusing to sanction the loan which had been made six days before by the Trust Company.

It is true that the French Government had not given its sanction when the first unauthorized loan was made, but to realize the gravity of the responsibility which the Trust Company would have accepted had the Directors decided not to advance the money for the September coupon, it must be remembered that it was known that the Agreement from which the Railway Company expected so much, and for the conclusion of which those interested in the enterprise had waited so many years, had at last been signed, or at least initialled, while they did not know its terms. The Board of the Railway Company, the shareholders, and the debenture holders had all eagerly anticipated the signature of this Agreement as inaugurating a period of prosperity for the railway, since it was anticipated that the French Government would, immediately on the signature of the Agreement, take steps to secure from the Emperor Menelik the recognition of the right to collect the *dîme* provided for in Articles 9 and 10 of the Concession of 1894. The Trust Company was interested as shareholders, as debenture holders, and as the grantee of a Construction Contract; its position as the financial supporter of the Railway Company had six months before been officially recognized by the French Government, and if, at this crisis in the Railway Company's affairs, the Trust Company had withheld its financial support, and the Railway Company had consequently gone into liquidation, the Directors of the Trust Company felt that they would expose themselves not unjustly to a charge of deserting the enterprise at the very moment when its prospects appeared to be brightening. Moreover, the whole odium of such a course of action would have fallen on the Trust Company, since it was not until five days after the coupon fell due that the French Government refused its sanction to the loan.

In these circumstances it is submitted that even if an error of judgment was made, it is not of such a character as to disentitle the Trust Company to the support of the British Government, or to entitle the French Government to justify its action in ultimately driving the Railway Company into judicial liquidation with the avowed object of eliminating the British group.

2. As regards the second point, the short answer is that the British group cannot be said to be "impossible people to deal with," since the French Government has persistently declined to deal with the group at all, the offer of the group to treat for the sale or transfer of its interests in the Ethiopian Railway Company, made through the Foreign Office, having up to the present moment been met by an absolute refusal on the part of the French Government to entertain the proposal in any way.

It is probable, however, that M. Pichon's observation refers to the negotiations between the shareholders in the Imperial Ethiopian Railway Company and the Official Liquidator as to the terms which the French Government has sought to impose on the shareholders for the transfer of the assets of the Company to the proposed new Company. The British group, *i.e.*, the Trust Company, have naturally taken part in those negotiations, and have co-operated with French shareholders in resisting proposals which both French and British shareholders alike regard as entirely unacceptable. The opposition of the shareholders is both natural and intelligible, and is fully justified by the official reports of the Official Liquidator to the Juge-Commissaire, of which copies have been forwarded to the Foreign Office. But the French Government has always had, and still has, the matter in its own hands. It has only to acquire the interests of the British group on fair and reasonable terms, and it will then find itself in a position to make whatever arrangements it likes, subject to the terms of the Tripartite Agreement of December 1906, and to the consent of the Emperor Menelik, for the acquisition and working of the existing railway, and for the construction of the extension of the line to Adis Ababa.

December 7, 1908.

Inclosure 2 in No. 252.

Resolution at Extraordinary General Meeting of Shareholders of Ethiopian Railway Company held in Paris, December 4, 1908.

L'ASSEMBLÉE générale extraordinaire nomme, avec les pouvoirs les plus étendus, une Commission de neuf membres, composée de MM. Moulin, Acat, Ravaud,

Duros, de la Beaumelle, Dubost, Ponsignon, Bowden, et Guérin, dont les décisions seront prises à la majorité des deux tiers des voix, à l'effet de :

Maintenir, si possible, la Compagnie dans tous ses droits ;

Subsidiairement, s'il ne lui paraît possible de faire vivre utilement la Compagnie, traiter avec qui de droit du principe d'une cession et de la cession elle-même aux conditions les plus avantageuses, mais sous la réserve primordiale expresse que les documents originaux de la Compagnie du Chemin de Fer Franco-Éthiopien, notamment l'approbation de ces statuts par l'Empereur Ménélek, le texte Amharic de la Concession Vitalien et de sa traduction en Français, ainsi que le Traité aux termes duquel la Compagnie du Chemin de Fer Franco-Éthiopien a reçu la Concession Vitalien, soient au préalable communiqués et remis à la Compagnie Impériale, et à la condition que la Compagnie obtienne tous les avantages prévus dans ses actes et que, ultérieurement, l'approbation de l'Empereur Ménélek soit donnée à la dite cession ;

Préparer un concordat qui sera soumis ultérieurement à la ratification des actionnaires.

Enfin, l'Assemblée extraordinaire, qui donne les pouvoirs les plus absolus à la Commission, approuve par anticipation tout ce qu'elle fera, et couvre entièrement ses membres pour toutes les conséquences des décisions qu'elle pourrait prendre.

Cette résolution est votée à l'unanimité.

Inclosure 3 in No. 252.

Procès-verbal of Sitzings of the Commission held December 7, 1908.

LA Commission nommée par l'Assemblée des Actionnaires de la Compagnie Impériale des Chemins de Fer Éthiopiens le 4 Décembre, 1908, s'est réunie le 7 Décembre à 10 heures du matin au siège social de la Compagnie, 80, Rue St. Lazare, sur la convocation du Liquidateur Judiciaire de la Compagnie.

Tous les membres de la Commission étaient présents.

M. le Président ouvre la séance et donne connaissance de la lettre qu'il a écrite au Liquidateur à la suite de la séance de Samedi dernier.

M. le Liquidateur lit le projet de cession préparé par la Société Franco-Éthiopienne du Chemin de Fer de Djibouti à Addis-Ababa, en le rapprochant de certains passages du texte préparé par lui-même et soumis au Ministère des Colonies.

Le projet communiqué par M. Vacher, et dont le texte suit, lui a été remis comme étant la dernière expression des Conventions proposées à la Compagnie Impériale par la nouvelle Compagnie du Chemin de Fer Franco-Éthiopien et ayant reçu l'approbation gouvernementale, et dont le texte suit :—

"Entre les Soussignés : M. Henri Vacher, demeurant à Paris, 2, Rue Dupuytren, agissant en qualité de Liquidateur Judiciaire de la Compagnie Impériale des Chemins de Fer Éthiopiens, dont le siège est à Paris, 80, Rue St. Lazare ; agissant le dit M. Vacher, en vertu de l'autorisation qui lui a été donnée par ordonnance de M. Chapuis, Président du Tribunal de Commerce de la Seine, Juge-Commissaire de la Liquidation Judiciaire du 20 Janvier, 1908, enregistrée, et sous réserve de toute autorisation nouvelle de ce magistrat qui pourrait être reconnue nécessaire, d'une part, et MM. , Commissaires délégués par

, ayant aux termes, pleins pouvoirs de traiter conjointement avec le Liquidateur Judiciaire de la cession de l'actif— M. Vacher déclarant que l'Assemblée qui a investi MM. lui paraît régulière et que les pouvoirs des Commissaires leur a été valablement conférés—d'autre part, il a été convenu ce qui suit :—

"Art. 1. La Compagnie Impériale des Chemins de Fer Éthiopiens cède et transporte à la Compagnie du Chemin de Fer de Djibouti à Addis-Ababa la totalité de son actif, à l'exception des deniers existant en caisse au jour de la prise de possession, ainsi que de ses créances contre des tiers.

"Art. 2. Les biens cédés seront pris, par la Compagnie du Chemin de Fer de

Djibouti à Addis-Ababa, dans l'état où ils se trouveront le jour de la prise de possession, sans aucune garantie pour les vices cachés pouvant exister dans les objets corporels.

"Mais la Compagnie du Chemin de Fer de Djibouti à Addis-Ababa sera garantie par la Compagnie Impériale contre les conséquences de toutes actions qui pourraient être exercées sur les biens cédés par des tiers se prétendant créanciers de la Compagnie Impériale, et notamment par tous tiers prétendant avoir un droit réel, gage en hypothèque, &c., sur les biens cédés.

"En conséquence, la Compagnie Impériale fera son affaire personnelle de toutes réclamations d'actionnaires, d'obligataires, ou de créanciers chirographaires antérieurs au jugement déclaratif de la liquidation judiciaire (10 Juin, 1907), et elle conservera la charge du règlement de son passif.

"Art. 3. La présente cession est faite aux conditions suivantes et moyennant le prix stipulé ci-après :—

"1. Sur les deniers en caisse au jour de la prise de possession de l'actif par la Compagnie du Chemin de Fer de Djibouti à Addis-Ababa, le Liquidateur Judiciaire de la Compagnie Impériale soldera :

"(a) Les frais de liquidation judiciaire jusqu'au jour de la prise de possession ;

"(b) Le passif privilégié, en vertu d'un privilège général, tel que les contributions et droits dus par la liquidation judiciaire ;

"(c) Les dettes de la liquidation judiciaire jusqu'au jour de la prise de possession (loyers, assurances, personnel, commandes et fournitures faites par le Liquidateur Judiciaire et non encore réglées).

"En cas d'insuffisances et sur justification régulière produite par le Liquidateur, la Compagnie du Chemin de Fer de Djibouti à Addis-Ababa s'oblige à parfaire la différence, mais seulement dans la limite d'une somme maximum de 350,000 fr. (refuser les rompus).

"2. La Compagnie du Chemin de Fer de Djibouti à Addis-Ababa paiera en outre à la Compagnie Impériale quatre-vingt-quatorze annuités de 402,580 fr. 40 c. pour la première être versée le 1^{er} Janvier, 1910.

"3. La Compagnie du Chemin de Fer de Djibouti à Addis-Ababa, après un prélèvement au profit exclusif de ses actionnaires de 173,000 fr., représentant 1 pour cent de son capital-actions, versera à la Compagnie Impériale 60 pour cent de l'excédent sur ce chiffre de 173,000 fr. de l'allocation totale à elle attribuée par les Articles 20 et 24 de la Convention du sur les économies qu'elle aura réalisées sur les dépenses d'exploitation par rapport à la somme résultant de la formule.

"4. La Compagnie du Chemin de Fer de Djibouti à Addis-Ababa versera à la Compagnie Impériale 60 pour cent sur le bénéfice net de l'exploitation, tel qu'il est défini par l'Article 23 de la Convention du

"Les participations prévues aux paragraphes 3 et 4 ci-dessus s'étendent jusqu'à l'expiration de la Concession de la Compagnie du Chemin de Fer de Djibouti à Addis-Ababa.

"En fin de Concession, les dites participations s'étendront au partage des excédents de la réserve d'exploitation et du fond de renouvellement et de travaux complémentaires, exécutés par application des Articles 20 et 21 de la Concession.

"Art. 4. La Compagnie du Chemin de Fer de Djibouti à Addis-Ababa réservera aux actionnaires de la Compagnie Impériale un droit de souscription par préférence à concurrence d'un quart de toutes souscriptions versées en espèces au capital-actions ou de ses augmentations ultérieures versées en espèces.

"Le Conseil d'Administration de la Compagnie du Chemin de Fer de Djibouti à Addis-Ababa réglera les délais et formalités de l'exercice de ce droit de préférence avec un minimum de délai d'un mois.

"Art. 5. Les représentants légaux, soit de la masse créancière de la Compagnie Impériale des Chemins de Fer Éthiopiens, soit de cette Société, n'auront aucun droit d'immixtion, de contrôle, ou de critique dans l'administration de la Compagnie du Chemin de Fer de Djibouti à Addis-Ababa, et ils ne pourront prendre part aux Assemblées générales des actionnaires de la dite Compagnie.

"Le Conseil d'Administration et l'Assemblée générale se réservent le pouvoir entier et absolu de diriger l'Administration et d'adopter librement toutes les mesures qui leur sembleront les plus propres à réaliser l'objet actuel.

"Les représentants légaux de la masse créancière et les actionnaires de la

Compagnie Impériale auront seulement le droit de prendre communication et de demander copie, s'ils le désirent, dans les dix jours précédant la réunion de chaque Assemblée générale :

"1. Le Rapport du Conseil d'Administration de la Compagnie du Chemin de Fer de Djibouti à Addis-Ababa, s'il en est fait un à l'Assemblée.

"2. Le Rapport des Commissaires des Comptes.

"3. Le bilan et le compte profits et pertes.

"Ils pourront prendre communication seulement des livres de comptabilité au siège social, des comptes d'exploitation et l'inventaire contenant l'indication des valeurs mobilières et immobilières et de toutes les dettes actives et passives de la Société, dans les conditions où cette communication est prévue pour les Commissaires des Comptes par l'Article de la Loi du 24 Juillet, 1887.

"Art. 6. La prise de possession aura lieu de plein droit le jour de la promulgation de la loi Française qui doit intervenir, aux termes de la Convention du . . . , pour ratifier cette Convention.

"Art. 7. Pour l'exécution des présentes, les parties font élection de domicile, savoir :—

"1. Le Liquidateur Judiciaire de la Compagnie Impériale des Chemins de Fer Éthiopiens ;

"2. Le Représentant de la masse créancière au Greffe du Tribunal de Commerce de la Seine ;

"3. La Compagnie du Chemin de Fer de Djibouti à Addis-Ababa à

"Elles attribuent compétence et juridiction au Tribunal de Commerce de la Seine.

"Paris, en originaux ."

Après échange de vues sur ce projet de cession et avoir notamment observé qu'aucun des documents officiels réclamés par la Commission ne lui a été communiqué, la Commission s'ajourne à 6 heures pour arrêter la résolution, qui sera remise à M. le Liquidateur pour être transmise à M. le Ministre des Colonies.

La séance est levée à midi.

À 6 heures du soir, la Commission reprend ses travaux, M. le Liquidateur étant présent, tous les membres de la Commission étant présent également, sauf M. de la Beaumelle, excusé.

La Commission, certaine d'être l'interprète de la grande majorité des actionnaires et des créanciers de la Compagnie, déclare qu'elle est toujours prête à accepter un projet de cession avec le plus vif désir d'aboutir à une solution donnant toute satisfaction à la politique extérieure du Gouvernement Français.

Mais, considérant que le projet de cession qui lui a été communiqué par le Liquidateur, M. Vacher, ce matin est conçu dans de tels termes que l'on peut se demander s'il n'a pas été inspiré uniquement par le désir de placer la Compagnie dans l'alternative d'un refus à exploiter contre elle ou d'une acceptation entraînant la ruine certaine de ses actionnaires et celle éventuelle de ses créanciers ;

Que, notamment, en dehors des statuts de la nouvelle Compagnie et d'une traduction fournie par elle et sans caractère authentique de la Concession qui lui aurait été rétrocédée par le Dr. Vitalien, il n'a été produit aucun des documents réclamés par la Compagnie, et sans lesquels il lui est manifestement impossible de céder en connaissance de cause un actif aussi important que celui de la dite Compagnie ;

Que l'Article 2 du projet semble impliquer à lui seul l'intention chez ses rédacteurs de couper court à toute négociation, puisqu'il édicte ce principe nouveau et inouï d'une Compagnie qui abandonne l'intégralité de son actif, tout en conservant la responsabilité d'un passif éventuel qui ne peut être que la charge naturelle de l'actif cédé ;

Que ce projet, sur lequel on veut que la Commission se prononce sans délai, a été rédigé avec une telle hâte qu'il n'y est même pas fait mention de la garantie par l'État Français de l'annuité de 402,580 fr. 40 c. déléguée aux créanciers ;

Que l'allocation d'une prime annuelle de gestion de 173,000 fr. à la Compagnie future seule, prime grevant d'autant plus les dépenses réelles d'exploitation, est en contradiction avec la promesse formelle de partager, à raison de 40 et 60 pour

[1557]

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cent, les bénéfices de ladite exploitation, promesse faite par les Ministres compétents le 20 Janvier, 1908;

Que les offres du Gouvernement, ayant servi de base à la requête du Liquidateur qui a provoqué l'Ordonnance du 20 Janvier, 1908, ne sont même pas maintenues, car ce document énonce expressément les prélèvements qui devront être faits sur les bénéfices avant le partage prévu; qu'aucune prime de gestion ne figure dans cette énumération; qu'au contraire, il y est expressément dit que les actionnaires de la société acquéreur auront droit à un prélèvement de préférence, outre l'amortissement de leur capital, de 3.50 pour cent; et que l'allocation de la prime de gestion porte ce prélèvement à 4.50 pour cent, au détriment de la Compagnie Impériale;

Que, d'ailleurs, le refus de la future Compagnie d'accepter l'organisation d'un contrôle sérieux permettant aux cédants de surveiller efficacement leurs intérêts, alors qu'ils sont évidemment des participants, est de nature à éveiller les plus légitimes défiances;

Que le texte proposé par la Compagnie future ne parle pas, soit de l'approbation du Gouvernement Français, dont l'intervention est nécessaire pour délier la Compagnie des engagements de la Convention de 1902, soit celle de l'Empereur Menelek, dont la Compagnie cédante ne peut oublier qu'elle est concessionnaire, et cela sans que la Compagnie future apporte même un engagement quelconque du Gouvernement Français, justifiant l'obtention de cette approbation du Gouvernement Éthiopien, et, que la Commission ne saurait oublier que c'est au refus de l'approbation par l'Empereur Menelek de la Convention de 1902 que la Compagnie doit attribuer sa situation présente.

Pour toutes ces considérations et d'autres que le temps fait défaut à la Commission d'exposer, la Commission décide qu'elle ne peut accepter le projet proposé.

[43178]

No. 253.

Sir F. Bertie to Sir Edward Grey.—(Received December 11.)

(No. 61. Africa.)

Sir,

Paris, December 10, 1908.

WITH reference to my despatch No. 58, Africa, of the 4th instant, I have the honour to transmit to you herewith copy of a letter which I have to-day received from Mr. Gilmour, inclosing a Memorandum relative to British interests in the Ethiopian Railway Company.*

With regard to the statements made by Mr. Gilmour respecting the points to which I directed his attention in the course of recent interviews, I beg leave to say that I observed to him that the Trust Company appeared to have thrown good money after bad in continuing to make advances to the Ethiopian Railway Company. Mr. Gilmour is correct as to the second point mentioned. M. Pichon said to me, when discussing the subject, that the Railway Company were impossible people to deal with, and his assertion applied by implication to the Trust Company as well as to the Ethiopian Railway Company.

I have, &c.

(Signed)

FRANCIS BERTIE.

[44875]

No. 254.

International Ethiopian Railway Trust and Construction Company to Sir Edward Grey.—(Received December 23.)

Sir,

34, Clement's Lane, London, December 22, 1908.

IN further reference to our letter of the 9th instant, informing you that we had received telegraphic information that the French Government had declared the *déchéance* of the Imperial Ethiopian Railway Company, we now have the honour to inclose herewith a copy of the "Journal Officiel" of the 9th December, containing on p. 8445 the text of the Report, addressed by the Minister of the Colonies, dated Paris, the 8th December, to the President of the Republic, and of the Decree, dated

* Not printed.

[42408]

No. 253.*

Foreign Office to Colonial Office.

Foreign Office, December 18, 1908.

Sir,

I AM directed by Secretary Sir E. Grey to transmit to you herewith, for the information of the Secretary of State for the Colonies, a copy of a despatch from His Majesty's Chargé d'Affaires at Adis Abeba relative to present conditions on the southern frontier of Abyssinia.*

The Earl of Crewe will observe that, mainly owing to the Emperor Menelek's illness, great lawlessness prevails in those regions, and raids are being made and elephants slaughtered by Abyssinians in British territory with impunity.

His Lordship will of course decide whether it is possible for the authorities of British East Africa to take any steps to check these incursions, but Sir E. Grey considers that in any case the Abyssinian frontier Chiefs should be warned that, during the Emperor's incapacity through illness, His Majesty's Government must look directly to them for the preservation of order on the frontier.

I am accordingly to forward to you a draft of a despatch which Sir E. Grey proposes, if his Lordship concurs, to address to Lord H. Hervey in this sense.†

I am, &c.

(Signed)

W. LANGLEY.

* No. 284.

† Draft despatch to Lord H. Hervey (see No. 822).

[1557]

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also the 8th December, signed by the President of the French Republic, and countersigned by the Ministers for Foreign Affairs and the Colonies.

We desire, in the first place, to direct your attention to certain points in the Report to the President, signed by M. Milliès-Lacroix, Minister for the Colonies.

1. In the first paragraph of his Report, M. Milliès-Lacroix states that the financial position of the Railway Company has been going from bad to worse in recent years, and that the Company has had recourse to repeated loans to meet its financial obligations. You will observe that M. Milliès-Lacroix makes no allusion to the fact that the financial embarrassments of the Company were the direct result of the action of the French Government in failing to support the Company's claim under Articles 9 and 10 of the Concession of 1894 from the Emperor Menelck to collect a *dîme* of 10 per cent. on all goods carried on the railway; that, further, no allusion is made to the fact that the Railway Company waited patiently from 1903 to 1906, at the request of the French Government, for the conclusion of the diplomatic negotiations which eventually resulted in the signature of the Tripartite Agreement of December 1906; that it is not indicated in any way that the loans referred to were contracted by the Company to enable it to live during this period of waiting, and that these loans were contracted with the knowledge, and in some cases with the sanction, of the French Government. The suppression of these material facts is, we submit, calculated to create an entirely erroneous impression as to the circumstances in which the loans referred to by M. Milliès-Lacroix were contracted.

2. M. Milliès-Lacroix states that M. Georges Leygues, his predecessor, forbade the Railway Company, by his letters dated the 23rd August and the 5th September, 1906, "d'accroître le chiffre de son passif." The only comment we will make on this statement is to quote the following extracts from the letters referred to by M. Milliès-Lacroix.

On the 23rd August the Minister for the Colonies wrote to the President of the Railway Company acknowledging receipt of a letter of the 2nd August asking for the authorization to issue further bonds to meet the September coupon and the current requirements of the Company, and stated that, for certain reasons, "il ne m'est possible d'autoriser l'émission d'obligations pour faire face aux charges susindiquées. Il appartient à votre Compagnie de se procurer, à ses risques et périls, par tout autre moyen régulier, les ressources dont elle a besoin."

You will see that, so far from the Company being prohibited from adding to its liabilities, the Minister, while declining to sanction the proposal to raise funds by a further issue of bonds, actually invited the Company to raise the funds it required "par tout autre moyen régulier." The Railway Company was advised that the mortgaging of its property in Abyssinian territory was a "moyen régulier," and the Trust Company was advised in the same sense; but the point to which we wish to direct your attention is that M. Milliès-Lacroix' Report does not correctly describe M. Leygues' letter of the 23rd August.

The letter of the 5th September, of which we send you a copy herewith, as of all the other letters referred to in the Report and Decree, does not, as you will see, in terms prohibit the Company from adding to its *passif*, but while repudiating the suggestion that the Minister's failure to reply to the Railway Company's letter of the 31st August implied his consent, contained the statement that "l'emprunt d'une somme que je ne veux pas discuter, contracté par vous auprès d'une Société quelconque sans mon autorisation formelle, contrevient aux dispositions de la Convention du 6 Février, 1902; il n'a donc été fait que sous votre responsabilité exclusive et à vos risques et périls."

You will thus see that while M. Leygues' letter of the 23rd August refused to sanction the issue of further bonds, but invited the Company to provide for its needs "par tout autre moyen régulier," it was not until the 5th September, after the Trust Company had advanced the sum required for the service of the coupon of the 1st September, that M. Leygues informed the Railway Company that any loan made without his sanction was, in his view, a contravention of the Convention of 1902.

3. Incidentally it may be mentioned, though the matter is of no great importance, that the Report is inaccurate even as to the length of the line in Abyssinian territory mortgaged by the Railway Company to the Trust Company, the length being in fact 80 kilom. and not 60 kilom., as stated by M. Milliès-Lacroix.

4. It is alleged by M. Milliès-Lacroix that the mortgage of the line "contravene les dispositions of paragraph 3 of Article 5 of the Convention of 1902." We would beg your particular attention to the text of Article 5.

The first paragraph is as follows:—

“La Société concessionnaire devra, dans un délai de deux mois à partir de la date de la promulgation de la Loi approuvant la présente Convention, modifier ses Statuts actuels de façon qu'ils remplissent les conditions suivantes:”

It will be seen that the object of the Article is to secure certain modifications of the Statutes of the Railway Company, which must be made within two months from the date of the promulgation of the Law approving the Convention. Article 16 provides that failure to comply with the obligations imposed by Article 5 shall be visited by a certain penalty, viz., “the cancellation of the present Convention and the withdrawal of the Concession.” As a matter of fact, the Statutes were modified within the time specified, and notified to the Minister for the Colonies, as required by Article 5. The obligations under Article 5 were therefore satisfied, and the penalty provided in the first paragraph of Article 16 has no longer any force. Such contravention as there has been, if any, is not, therefore, as stated both in the Report and in the Decree, a contravention of paragraph 3 of Article 5, but of an Article in the Statutes of the Company.

5. The same observation applies with even greater force to the statement that paragraph 8 of Article 5 has also been contravened by the Railway Company. Here, again, it is one of the Statutes of the Company which has been contravened, if there has been any contravention at all; but we would further point out to you that paragraph 8 of Article 5 is one of the provisions of the Convention which are, by Article 18, expressly made subject to the consent of the Abyssinian Government, so far as they relate to Abyssinian territory. The wording of Article 18 is as follows:—

“Il est entendu que les stipulations qui font l'objet des Articles 5, paragraphe 8; 6, paragraphe 2; 9, paragraphe 3; 14, paragraphe 2; 15, paragraphe 1^{er}; et 16, paragraphe 3, seront applicables, sous réserve d'entente entre le Gouvernement Français et le Gouvernement Éthiopien, pour les parties de ligne situées en dehors du territoire Français.”

As you are aware, the Emperor Menelek has refused his assent to the Convention of 1902, and, consequently, the provisions of the Convention above enumerated have no application to that portion of the railway situated in Abyssinian territory. We need scarcely remind you that the station of Diré-Daoua, and the 80 kilom. of the railway which were mortgaged to the Trust Company by the Railway Company, are situated in Abyssinian territory.

6. There is, however, a further point to which we would ask your special attention, as we submit that it vitiates the whole argument on which the Decree rests. The acts which are stated to justify the declaration of *déchéance* are both alleged to be contraventions of Article 5, and it is by virtue of the second paragraph of Article 16 that the French Government claims the power to declare the *déchéance* of the Company. Yet an examination of the wording of the second paragraph of Article 16 will show that Article 5 is excluded from its operation. The first paragraph of Article 16 deals with the penalty attached to a non-observance of the obligations of Article 5. The second paragraph then proceeds:—

“Si la Société concessionnaire ne remplit pas complètement les obligations imposées par les autres Articles de la présente Convention,” &c., *déchéance* may be pronounced. It is clear, therefore, that the penalty of *déchéance* does not apply to any failure to fulfil the obligations of Article 5, which, indeed, as we have already pointed out, have been already fulfilled.

7. We now desire to direct your attention to the extreme ambiguity of the wording of the operative portion of the Decree. Article 1 is in the following terms:—

“La Compagnie Impériale des Chemins de Fer Éthiopiens, en liquidation, est déchue de la Concession qui a fait l'objet de la Convention susvisée du 6 Février, 1902.”

The question naturally arises, what is the Concession of which the Imperial Ethiopian Railway Company is deprived? It will be observed that neither in

M. Milliès-Lacroix' Report nor in the Presidential Decree is any mention made of the Concession of March 1894, granted by the Emperor Menelik to M. Ilg, and by M. Ilg transferred to the Imperial Ethiopian Railway Company. It would, indeed, seem to be clear that the French Government cannot deprive the Railway Company of a Concession granted to it by the Emperor Menelik in Abyssinian territory. Yet the Concession of 1894 was undoubtedly, in part at least, “l'objet” of the Convention of 1902, since the very paragraph of Article 5 (contravention of which is alleged to form the basis and justification of the declaration of *déchéance*) expressly refers to “toutes ou partie des lignes concédées à la Compagnie entre Djibouti et le cours de l'Aouach.” The Hawash River is, we need scarcely point out, not only in Abyssinian territory, but is situated beyond the present terminus of the railway at Diré-Daoua. It would therefore seem that the Concession of 1894 was, in fact, “l'objet” of the Convention of 1902, and that the Presidential Decree is open to the interpretation that it purports to declare the *déchéance* of a Concession granted by the Emperor Menelik, a gross and indefensible attack on the rights of the Emperor Menelik as an independent Sovereign.

It is possible that the French Government may disclaim this interpretation of the Decree, and may contend that the declaration of *déchéance* has reference only to the Concession granted on the 27th April, 1896, referred to in Article 1 of the Convention of 1902. This Concession has reference to that section of the railway owned and operated by the Imperial Ethiopian Railway Company, which is situated in the French Somaliland Protectorate. But should this reading of the Decree be adopted, some interesting questions will at once be raised, notably the question as to whether there has, in fact, been any failure on the part of the Railway Company to comply with any effective provisions of the Convention of 1902.

We do not wish to enter on a discussion of the legal questions which are raised by the wording of the third paragraph of Article 16, which sets out the consequences which result from the declaration of *déchéance*; but we would merely direct your attention to the practical difficulties which must arise as to the confiscation of the whole of the Railway Company's fixed and rolling stock and property of every kind. This is, no doubt, a question which will receive the attention it merits from the Emperor Menelik and his advisers; but we bring it to your notice, as illustrating the difficulties which must necessarily result from the arbitrary measures which the French Government has now adopted towards the Imperial Ethiopian Railway Company.

We have, &c.
(Signed) OCHS BROTHERS,
Managing Directors.

Inclosure 1 in No. 254.

Extract from the “Journal Officiel” of December 9, 1908.

Rapport au Président de la République Française.

M. le Président,
Paris, le 8 Décembre, 1908.
LA situation financière de la Compagnie Impériale des Chemins de Fer Éthiopiens a été sans cesse en s'aggravant, au cours de ces dernières années. Bien que la Convention du 6 Février, 1902, approuvée par la Loi du 6 Avril, 1902, ait alloué à cette Compagnie une subvention annuelle de 500,000 fr., à l'effet de la dégager de ses embarras pécuniaires et de lui permettre d'achever la ligne jusqu'à Addis-Harrar, la Compagnie a dû, depuis lors, recourir à des emprunts répétés, en vue de faire face à ses obligations financières.

Saisi par la Compagnie de demandes d'autorisation en vue de nouveaux emprunts, mon prédécesseur, M. Georges Leygues, interdit à la Compagnie, par lettres en date des 23 Août et 5 Septembre, 1906, d'accroître le chiffre de son passif. La Compagnie crut devoir passer outre à cette interdiction et contracta de nouveaux emprunts sans avoir reçu l'approbation du Ministre des Colonies, après avis du Ministre des Finances, contrevenant ainsi aux dispositions du paragraphe 3 de l'Article 5 de la Convention de 1902.

En outre, la Compagnie donna en gage à son prêteur, pour garantir le remboursement des emprunts, les biens meubles et immeubles qu'elle possède à Dirré-Daoua,

ainsi que la ligne elle-même, sur une longueur de 60 kilom., partant de cette gare sur Djibouti. Or, cet engagement constitue une violation de l'Article 5, paragraphe 8, de la Convention de 1902.

Dans ces conditions, nous avons estimé que la Compagnie avait encouru la déchéance, par application de l'Article 16, paragraphe 2, de la Convention.

Si vous partagez cette manière de voir, nous vous serions reconnaissants de revêtir de votre signature le projet de Décret ci-joint.

Nous vous prions, &c.
Le Ministre des Colonies,
(Signé) MILLIÈS-LACROIX.
Le Ministre des Affaires Étrangères,
(Signé) S. PICHON.

Inclosure 2 in No. 254.

Extract from the "Journal Officiel" of December 9, 1908.

Presidential Decree.

LE Président de la République Française,
Sur le Rapport des Ministres des Affaires Étrangères et des Colonies ;
Vu la Convention conclue, le 6 Février, 1902, entre le Protectorat de la Côte Française des Somalis et la Compagnie Impériale des Chemins de Fer Éthiopiens, notamment l'Article 5, paragraphes 3 et 8, et l'Article 16 ; ensemble la Loi du 6 Avril, 1902, ayant pour objet d'approuver ladite Convention ;

Vu les lettres du Ministre des Colonies au Vice-Président du Conseil d'Administration de la Compagnie Impériale des Chemins de Fer Éthiopiens en date des 23 Août, 1906, 5 Septembre, 1906, et 14 Février, 1907 ;

Vu la lettre des Ministres des Affaires Étrangères et des Colonies au Vice-Président du Conseil d'Administration de la Compagnie Impériale des Chemins de Fer Éthiopiens en date du 27 Mars, 1907 ;

Vu la lettre des Ministres des Affaires Étrangères et des Colonies à M. Vacher, liquidateur de la Compagnie Impériale des Chemins de Fer Éthiopiens en date du 24 Décembre, 1907 ;

Vu la lettre des Ministres des Affaires Étrangères et des Colonies au Président du Conseil d'Administration de la Compagnie des Chemins de Fer Éthiopiens en date du 2 Janvier, 1908 ;

Considérant que la Compagnie Impériale des Chemins de Fer Éthiopiens a contrevenu aux dispositions des paragraphes 3 et 8 de l'Article 5 de la Convention conclue, le 6 Février, 1902, entre le Protectorat de la Côte Française des Somalis et la Compagnie Impériale des Chemins de Fer Éthiopiens,

Décète :

Article 1^{er}. La Compagnie Impériale des Chemins de Fer Éthiopiens, en liquidation, est déchue de la Concession qui a fait l'objet de la Convention susvisée du 6 Février, 1902.

Art. 2. Les Ministres des Affaires Étrangères et des Colonies sont chargés, chacun en ce qui le concerne, de l'exécution du présent Décret, qui sera publié aux "Journaux Officiels" de la Métropole et de la Côte Française des Somalis, et inséré au "Bulletin des Lois" et au "Bulletin Officiel" du Ministère des Colonies.

Fait à Paris, le 8 Décembre, 1908.

(Signé) A. FALLIÈRES.
Par le Président de la République :
Le Ministre des Colonies,
(Signé) MILLIÈS-LACROIX.
Le Ministre des Affaires Étrangères,
(Signé) S. PICHON.

Inclosure 3 in No. 254.

M. Millès-Lacroix to President of Ethiopian Railway Company.

M. le Président, Paris, le 23 Août, 1906.
VOUS m'avez demandé, par lettre du 2 Août courant, l'autorisation d'émettre de nouvelles obligations pour vous procurer les fonds nécessaires, d'une part, au paiement du coupon du 1^{er} Septembre sur les obligations de la deuxième série, ainsi que des coupons échus le 1^{er} Juillet dernier sur les obligations de la troisième série, et, d'autre part, aux besoins courants de votre Compagnie pour les mois de Juillet, Août, et Septembre.

J'ai l'honneur de vous faire connaître, après avoir pris l'avis de M. le Ministre des Finances, que, un certain nombre d'actions de la Compagnie n'étant pas entièrement libérées et leur libération devant produire une somme très supérieure à celle exigée par les besoins actuels de votre Compagnie, il n'est pas possible d'autoriser l'émission d'obligations pour faire face aux charges susindiquées. Il appartient à votre Compagnie de se procurer, à ses risques et périls, par tout autre moyen régulier, les ressources dont elle a besoin.

Recevez, &c.
Le Ministre des Colonies,
(Signé) MILLIÈS-LACROIX.

Inclosure 4 in No. 254.

M. Leygues to President of Ethiopian Railway Company.

M. le Président, Paris, le 5 Septembre, 1906.
PAR lettre datée du 30 Août dernier, vous avez sollicité de mon Département l'autorisation d'emprunter une somme de 421,000 fr. à la Société Civile d'Études et d'Entreprises pour la Construction des Chemins de Fer, aux conditions d'un projet de contrat dont vous m'avez adressé le texte.

Vous m'avez fait connaître, à la date du 31 Août, que n'ayant reçu aucune réponse de moi, vous vous considérez comme "fondés à interpréter mon silence comme un acquiescement de principe à vos propositions de la veille."

Sans vouloir insister sur l'impossibilité où j'étais de répondre à votre lettre du 30 Août, après avoir pris l'avis du Ministre des Finances, avant le lendemain soir, je tiens à vous faire savoir que je repousse de tous points cette interprétation.

Par suite, l'emprunt d'une somme que je ne veux pas discuter, contracté par vous auprès d'une Société quelconque sans mon autorisation formelle, contrevient aux dispositions de la Convention du 6 Février, 1902 ; il n'a donc été fait que sous votre responsabilité exclusive et à vos risques et périls.

Recevez, &c.
Le Ministre des Colonies,
(Signé) G. LEYGUES.

Inclosure 5 in No. 254.

M. Millès-Lacroix to Secretary of Ethiopian Railway Company.

Monsieur, Paris, le 15 Février, 1907.
J'AI l'honneur de vous adresser ci-joint copie de la dépêche que j'ai adressée, à la date de ce jour, à M. le Vice-Président de la Compagnie Impériale des Chemins de Fer Éthiopiens.

Recevez, &c.
Le Ministre des Colonies,
(Signé) MILLIÈS-LACROIX.

Inclosure 6 in No. 254.

M. Millies-Lacroix to Vice-President of Ethiopian Railway Company.

M. le Vice-Président,

[Non datée.]

L'EXAMEN du Rapport que m'a adressé M. Lavy, Commissaire du Gouvernement auprès de votre Société, m'a révélé, entre autres faits, l'existence d'emprunts contractés sans l'autorisation du Gouvernement, par la Compagnie Impériale des Chemins de Fer Éthiopiens, auprès de l' "International Ethiopian Railway Trust and Construction Company (Limited)."

Sans préjuger des sanctions que pourrait comporter le fait, de votre part, d'avoir contracté sans autorisation ces emprunts, je tiens dès à présent à constater que ces opérations ont été faites en violation de l'Article 5, paragraphe 3 de la Convention du 6 Février, 1902, par la Loi du 6 Avril suivant.

J'ajoute que, par le même courrier, j'envoie copie à l' "International Ethiopian Trust" de la présente dépêche.

Recevez, &c.
Le Ministre des Colonies,
(Signé) MILLIES-LACROIX.

Inclosure 7 in No. 254.

Joint Communication addressed to Vice-President of Ethiopian Railway Company.

M. le Vice-Président,

Paris, le 27 Mars, 1907.

SA Majesté l'Empereur Ménélik a fait demander au Gouvernement Français de vouloir bien vérifier si, à un moment quelconque, il a été fait mention sur les registres de la Compagnie Impériale des Chemins de Fer Éthiopiens d'un achat d'obligations ou d'actions effectué pour le compte du Gouvernement Éthiopien.

M. Lavy, Commissaire du Gouvernement auprès de votre Société, déclare dans son Rapport en date du 29 Mars, 1907, que la vérification à laquelle il s'est livré n'a fait apparaître nulle part dans vos écritures la trace d'une opération de cette nature.

D'autre part, une Commission composée des représentants de MM. les Ministres des Finances, des Affaires Étrangères et des Colonies a été spécialement constituée en vue d'étudier la situation de la Compagnie.

Cette Commission, désireuse d'assurer l'achèvement par une entreprise Française du Chemin de Fer Éthiopien, a envisagé successivement toutes les combinaisons susceptibles d'assurer un fonctionnement normal de notre Société.

Aucune n'a pu être retenue. Aucune, en effet, ne semblait devoir donner des résultats satisfaisants dans la pratique. De plus, toutes étaient viciées dans leur principe même, car elles impliquaient la consécration officielle d'un état de faits qui s'est constitué sans l'approbation du Gouvernement.

Par suite, la Commission, dans sa séance du 16 Mars dernier, et après avoir entendu vos explications, a été amenée à vous demander si la meilleure des solutions actuelles ne consisterait pas, pour votre Conseil d'Administration, à provoquer lui-même la liquidation judiciaire de la Société.

Vous avez déclaré qu'il vous paraissait impossible que la Compagnie pût accepter une semblable solution.

En présence de votre déclaration, le Gouvernement se voit dans l'obligation de faire toutes réserves sur les conséquences qui peuvent résulter pour la Compagnie de son refus d'entrer dans la voie qui lui est indiquée.

Dès à présent, il est établi que les Rapports de M. Lavy en date du 8 Septembre, 1906, 6 Février, 7 et 13 Mars, 1907, que vous avez contracté une série d'emprunts et passé, à leur occasion, divers contrats sans l'autorisation préalable et nécessaire du Ministre des Colonies, contrevenant ainsi aux dispositions de la Convention du 6 Février, 1902.

En conséquence, nous croyons devoir vous impartir un délai de trois mois pour prendre les mesures imposées par la situation irrégulière dans laquelle s'est placée la Compagnie.

Passé ce délai, la Compagnie Impériale des Chemins de Fer Éthiopiens serait exposée à subir les sanctions que comportent les irrégularités dont est entachée sa gestion.

Recevez, &c.
Le Ministre des Colonies,
(Signé) MILLIES-LACROIX.
Le Ministre des Affaires Étrangères,
(Signé) S. PICHON.

Inclosure 8 in No. 254.

Joint Communication addressed to Liquidator of Ethiopian Railway Company.

Paris, le 24 Décembre, 1907.

VU la lettre du Ministre des Colonies à M. le Vice-Président du Conseil d'Administration de la Compagnie Impériale des Chemins de Fer Éthiopiens, en date du 14 Février, 1907, par laquelle, "sans préjuger des sanctions que pourrait comporter le fait," le Ministre des Colonies a notifié à la Compagnie que diverses opérations d'emprunt ont été faites par elle en violation de l'Article 5, paragraphe 3, de la Convention du 6 Février, 1902, approuvée par la Loi du 8 Avril suivant;

Vu la lettre des Ministres des Affaires Étrangères et des Colonies, à M. le Vice-Président du Conseil d'Administration de la Compagnie Impériale des Chemins de Fer Éthiopiens, en date du 27 Mars, 1907, par laquelle les Ministres ci-dessus désignés—

1. Ont notifié à la Compagnie qu'elle était dès à présent établie par les Rapports de M. Lavy, Commissaire du Gouvernement, en date du 8 Septembre, 1906; 6 Février, 1907; 7 et 13 Mars, 1907, que la Compagnie a contracté une série d'emprunts et passé, à leur occasion, divers contrats sans l'autorisation préalable et nécessaire du Ministre des Colonies, contrevenant ainsi aux dispositions de la Convention du 6 Février, 1902;

2. Ont impartie, en conséquence des faits ci-dessus rappelés, un délai de trois mois à la Compagnie pour prendre les mesures imposées par la situation irrégulière dans laquelle elle s'est placée, délai à l'expiration duquel la Compagnie des Chemins de Fer Éthiopiens serait exposée à subir les sanctions que comportent les irrégularités dont est entachée sa gestion;

Considérant que le délai ci-dessus impartie est expiré à la date du 27 Juin;
Considérant qu'antérieurement à cette date, ni même depuis cette date, les irrégularités relevées dans la gestion de la Compagnie n'ont été couvertes;

Décident :

Un nouveau délai de quinze jours est impartie à la Compagnie pour prendre telles mesures qu'elle jugera opportunes en vue de régulariser sa situation administrative; à l'expiration dudit délai la Compagnie sera exposée à subir telles sanctions que de droit.

Le Ministre des Colonies,
(Signé) MILLIES-LACROIX.
Le Ministre des Affaires Étrangères,
(Signé) S. PICHON.

Inclosure 9 in No. 254.

Joint Communication addressed to President of Ethiopian Railway Company.

M. le Président,

Paris, le 2 Janvier, 1908.

NOUS avons l'honneur de vous rappeler que, par lettre en date du 24 Décembre, 1907, dont vous trouverez ci-joint la copie, nous avons avisé votre Compagnie, par l'intermédiaire de son Liquidateur judiciaire, que les irrégularités, relevées à diverses reprises dans la gestion de la Compagnie des Chemins de Fer Éthiopiens, n'ayant pas été

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ouvertes, un délai de quinze jours était imparti à cette Compagnie pour prendre telles mesures qu'elle jugerait opportunes, en vue de régulariser sa situation administrative, et qu'à l'expiration dudit délai la Compagnie serait exposée à subir telles sanctions que de droit.

Le Ministre des Colonies,
(Signé) MILLIÈS-LACROIX.

Le Ministre des Affaires Étrangères,
(Signé) S. PICHON.

[41576]

No. 255.

Lord H. Hervey to Sir Edward Grey.—(Received December 28.)

(No. 38.)

Sir,

Adis Ababa, December 5, 1908.

I HAVE the honour to report that I succeeded in obtaining a short interview with the Emperor last week, at which I inquired what further steps had been taken with regard to the appointment of Commissioners for the delimitation, in conjunction with Major Gwynn, of the southern frontier.

His Majesty replied that he had given orders to Dejaz Balcha and Fitaurari Hapta Giorgis to send reliable men to carry out the work; he had not as yet appointed any one special Commissioner, but as he was leaving the next day for the country, he would consider the matter on his return. I pointed out that the work by that time would be well advanced, and I wished it to be clearly understood that whether any special Abyssinian Commissioner arrived or not, the boundary as defined in the meantime must hereafter be officially recognized. The Emperor signified his assent to this arrangement.

I had also to complain about the way Major Gwynn was treated on his way to Dolo. It appears that the Headman at Ginir was absent when the Commission arrived there, and his subordinate ignored the Emperor's pass altogether, preventing the party from leaving. Fortunately the Headman soon returned, and the Commissioners were allowed to proceed on their journey.

The Emperor promised to have the offender brought in and punished; but such cases of subordinate officials disobeying his orders are very frequent, and go to prove how small is his influence even at a comparatively short distance from the capital.

His Majesty was considerably improved in health and seems to be gradually regaining strength.

I have, &c.
(Signed) HERBERT HERVEY.

[45169]

No. 256.

Lord H. Hervey to Sir Edward Grey.—(Received December 28.)

(No. 40. Private and Confidential.)

Sir,

Adis Ababa, December 5, 1908.

I HAVE the honour to acknowledge receipt of your despatch No. 105 of the 3rd November last, inclosing a Report by Mr. Ambruster on his recent journey through Abyssinia.

With regard to instances quoted of local Chiefs disregarding King Menelek's orders, I would point out that the same thing happens in every part of Abyssinia, and is due to the governmental system of the country, according to which each petty Chief is responsible to and recognizes only his own immediate superior. The fault in such cases would either lie with the Governor of the country for not issuing explicit orders to his subordinates or with the traveller for not giving sufficiently exact information as to the route he proposes to take and the dates he is likely to arrive at specific points. I put this as a general case, and do not suggest that Mr. Ambruster failed to do what was necessary.

Mr. Ambruster deals at length in his Report with the question of etiquette. Unfortunately, although he carried his point with Ras Guksa, the matter was not allowed to rest there, as the Ras complained to the Emperor, who in turn brought the matter to Sir John Harrington's notice.

As far as my information goes, a foreigner should, in the case of a Ras or other high-placed Abyssinian, send to acquaint him of his arrival; the Ras would then dispatch one of his personal officers to invite the visitor to his house, where he would receive him, possibly seated, but rising out of courtesy to greet him.

Mr. Ambruster's experience of Abyssinia and Abyssinian customs is so considerable that I hesitate to question the strict accuracy of his views; but undoubtedly much resentment and friction have resulted from their being carried out, and this cannot fail to be prejudicial to other travellers and merchants, who will probably find that the local authorities will fight shy of them altogether rather than by yielding suffer humiliation in the eyes of their countrymen. Under the circumstances, if you approve, I propose postponing for the present any reference to the disregard by local Chiefs of the Emperor's orders.

The question of the currency has been submitted to the Bank of Abyssinia, and I am still awaiting their reply.

I have, &c.
(Signed) HERBERT HERVEY.

[42357]

No. 257.

Foreign Office to Ethiopian Railway Trust and Construction Company.

Gentlemen,

Foreign Office, December 28, 1908.

IN continuation of my letter of the 2nd instant relative to your position as creditors and shareholders of the Imperial Ethiopian Railway Company, I am directed by Secretary Sir E. Grey to inform you that he has now received a reply from the French Ambassador at this Court to the Memorandum which, as you are already aware, was addressed to his Excellency on this subject on the 2nd July last.

M. Cambon observes that the delay in replying to Sir E. Grey's Memorandum was due to the necessity of referring to M. Klobukowski, then French Minister at Cairo and now Governor-General of French Indo-China, and to M. Guérault, then "Directeur" in the Ministry of Finance and now Sub-Governor of the Bank of France, the declarations stated in the Memorandum to have been made by those high officials to the representatives of the Trust Company.

M. Cambon states that both gentlemen formally deny the allegations of the representatives of the Trust Company. Neither the one nor the other has ever asked that your Company should lend financial assistance to the Ethiopian Railway Company. On the contrary, they informed the Earl of Chesterfield, M. Ochs, and M. Acat that they were opposed to all intervention of this nature, and the language held by them during the interviews of February 1907 was very definite and the exact opposite of that which is ascribed to them.

With regard to the general aspect of the case, M. Cambon states that he can only refer Sir E. Grey to his Excellency's notes of the 31st January and the 30th March last, with the terms of which your Company are already familiar, and his Excellency has to observe once more that the Trust Company's claim is a legal matter which appertains solely to the French Courts of Law.

I am, &c.
(Signed) W. LANGLEY.

Blackwell

Printed for the use of the Foreign Office. July 1909.

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PART IV.

FURTHER CORRESPONDENCE

RESPECTING THE

AFFAIRS OF ABYSSINIA.

1908.

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(9505.)

PART IV.

FURTHER CORRESPONDENCE

RESPECTING THE

AFFAIRS OF ABYSSINIA.

1908.

137

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